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U.S. ARMY-BAYLOR UNIVERSITY  
GRADUATE PROGRAM IN HEALTH CARE ADMINISTRATION

A STUDY TO DETERMINE THE  
COST-EFFECTIVENESS OF CONTINUING  
TO OFFER INPATIENT SERVICES  
AT RAYMOND W. BLISS ARMY COMMUNITY  
HOSPITAL VERSUS CONTRACTING  
EXTERNALLY FOR INPATIENT SERVICES

A GRADUATE MANAGEMENT PROJECT SUBMITTED TO  
THE FACULTY OF BAYLOR UNIVERSITY  
IN PARTIAL FULFILLMENT OF THE  
DEGREE OF MHA FOR THE  
GRADUATE PROGRAM IN HEALTH CARE ADMINISTRATION

BY  
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FORT SAM HOUSTON, TEXAS

JUNE 1996

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## ABSTRACT

The purpose of this study is to determine the cost effectiveness of continuing to offer inpatient services at Raymond W. Bliss Army Community Hospital (RWBACH) (status quo) versus contracting externally (a make or buy decision) for inpatient services. The overall methodology for the study includes a review of the costs to make and buy inpatient services for RWBACH. The goal of the study is to provide the hospital with a basis for the realignment of the present organization of services while providing a management tool to the Commander in formulating the long term strategy and business plan for the facility. Portions of the study could be used in formulating resource sharing agreements, policies and procedures with the TRICARE contractor as the facility prepares to commence its contract.

The final buy equation cost, without a discount, for the 590 inpatient cases if the services were provided downtown during Fiscal Year (FY) 1995 came to \$1,984,410. The equation is as follows:

|  |                    |
|--|--------------------|
| Total CHAMPUS Allowable Charge (no discount):            | \$1,904,103        |
| Plus: CHAMPUS Professional Fees                          | +\$ 443,865        |
| Less: Patient Cost-Shares:                               | <u>-\$ 363,558</u> |
| Equals: FY 1995 Total Cost to Buy 590 Inpatient Services | \$1,984,410        |
| at Sierra Vista Community Hospital                       |                    |

The final make equation provides the amount of the federal appropriations for FY 1995 required to provide the 590 inpatient services at RWBACH. This total amount was \$3,465,140 and breaks down as follows:

|  |                     |
|--|---------------------|
| Total MEPRS Inpatient Expense                        | \$5,468,747         |
| Total MEPRS Inpatient Expense                        | \$5,468,747         |
| Less Inpatient Salary Savings                        | -\$2,128,754        |
| Less Other MEPRS Savings                             | <u>-\$1,487,100</u> |
| Equals MEPRS Fixed Costs                             | \$1,852,893         |
| Less MEPRS Fixed Costs                               | <u>-\$1,852,893</u> |
| Equals: The Revised Federal Appropriation for RWBACH | \$3,465,140         |
| For FY 1995 to Provide 590 Inpatient Services        |                     |

The study shows a cost savings of \$1,480,730, or 43 percent, could have been made, with no discount, by contracting for inpatient services at Sierra Vista Community Hospital. The agreed upon 10 percent discount would increase these savings to \$1,671,140, or 48 percent, over the cost of providing the inpatient services at RWBACH.



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## CHAPTER I

### INTRODUCTION

#### Conditions which prompted the study

The delivery of health care in United States has changed dramatically over the past 50 years. During the 1940s the federal government became involved in the expansion and creation of medical facilities to increase access to care for the general public. The Hill-Burton Act in 1946, more commonly known as the Brick and Mortar Act, created legislation providing federal grants and loans for the construction of new hospitals and for the expansion of existing facilities. A hospital which accepted these grants and/or loans accepted collateral responsibility to provide care for indigent patients (Rakich, Longest and Darr 1992).

Healthcare consumed approximately 4.4 percent of the gross domestic product (GDP) in 1950, then known as the gross national product (GNP) (Williams and Torrens 1993). Access to care continued to be a focal point for healthcare into the 1960s. The federal government tried to improve access to healthcare by increasing the supply of providers. Providers, such as physicians and nurses, were granted scholarships and financial assistance in an attempt to motivate more individuals to enter the career field. (Williams and Torrens 1993).

Healthcare changed directions with the passage of the amendments to the Social Security Act of 1965 creating Title XVIII, Medicare and Title XIX, Medicaid. With the passage of this legislation the federal government assumed responsibility for financing care for millions of elderly and indigent people, who previously had little or no access to healthcare (Rakich, Longest

and Darr 1992). The Medicare budget alone exceeded \$4.5 billion in its first year (Davis, et al. 1990). The programs did increase access to healthcare, but not without a higher than expected cost. There was no incentive for hospitals or providers to deliver cost efficient healthcare given the established method of reimbursement (Aaron 1991). The more the provider could do for the patient, the more reimbursement the government paid under its fee-for-service (FFS) reimbursement system. The Medicare reimbursement was set at a "reasonable rate" plus two percent as an incentive for providers to see Medicare patients (Davis, et al. 1990). The government used fiscal intermediaries (FI) to administer the program benefits. Initially, the primary FI was the Blue Cross Plans which also served the medical profession. This conflict of interest caused the FI to not question excessive length of stays (LOS) or costs; thereby, limiting the government's ability to contain the program's costs (Davis, et al. 1990).

The percentage of the GNP spent on healthcare rose from 5.9 to 8.3 percent between 1965 and 1975 (Williams and Torrens 1993). Increased hospital admissions and services for the elderly were the primary causes for the growing healthcare costs. Medicare was the largest buyer of healthcare in the United States in early 1970 causing the government to implement cost containment controls (Aaron 1991). This new trend caused the government's focus to shift from access to cost (Davis, et al. 1990).

The first of the cost control attempts were the Social Security Amendments of 1972, Public Law 92-603, which created the Professional Standards Review Organization (PSRO). The PSRO was intended to monitor quality and ensure efficiency in the delivery of healthcare funded by the federal government. Section 223, the General Provisions and Professional

Standards Review, gave Medicare the ability to deny reimbursement for inefficient healthcare (Davis, et al. 1990).

Outpatient medical care was one of the leading areas of increasing healthcare costs. These costs were spurred by: 1) increasing technology which allowed chronic patients to be treated as outpatients or in other facilities; 2) an increasing supply of physicians; 3) changes in surgery and anesthesia practice patterns to allow more noninvasive procedures without overnight stays; and 4) increased quantity of utilization review (UR) of inpatient cases (Robinson 1994 and Roughan 1994). Hospital outpatient departments increased dramatically from 49 to 81 percent between 1984 and 1990. Similarly, outpatient surgery increased by 304 percent between 1979 and 1989 (Sulvetta 1991). Rigorous inpatient hospital cost containment programs also led to increased outpatient costs (Wickizer, Wheeler and Feldstein 1991).

The Health Maintenance Organization (HMO) Act of 1973 was designed to compete with FFS plans by spurring lower healthcare cost alternatives (Mayer and Mayer 1985). The HMO Act provided the political and financial support needed for HMOs to grow and expand. The government provided \$145 million in grants and \$219 million in loans between 1973 and 1983 in the development of 115 HMOs (Davis, et al. 1990). By 1975 the number of HMOs in the United States had grown from 33 to 133 with more than 5.8 million enrolled beneficiaries. This number grew to 323 HMOs with more than 35 million beneficiaries by 1991 (Mayer and Mayer 1989 and Johnsson 1992).

Corporate employers, the second largest buyer of healthcare in the United States, followed the federal healthcare cost containment initiatives. This was due in part to a provision

in the HMO Act which required employers with greater than 24 employees to offer an HMO option to employees if a local, federally-funded HMO was available. Cost containment was also an incentive to employers as corporate healthcare coverage costs rose from \$49 billion in 1980 to \$93 billion in 1984 (Davis, et al. 1990). Corporations tried many methods to control costs including: increased cost shares and deductibles; utilization and claims reviews; HMO enrollment options; and wellness programs.

Corporate cost containment was the forerunner of the concept of managed care. The managed care concept means the healthcare manager is responsible to control the use and quality of healthcare provided, thus controlling the costs. The healthcare manager would try to change provider practice patterns through the use of financial incentives, penalties or other administrative procedures. Managed care tries to influence when and where healthcare is provided, how much is provided and the length of treatment provided (Boland 1991). The goal of which is to ensure the most cost efficient care is provided while not sacrificing quality. Managed care, through increasing access and reducing inappropriate services, can improve patient health outcomes (Burke 1991).

One of the corporate methods used to control cost, UR, became a foundation of managed care. Utilization review includes:

- prospective reviews, such as precertification
- concurrent reviews, which includes discharge planning and LOS authorization and
- retrospective reviews

Many HMOs proved to be successful in monitoring the quality of care through careful UR

(Anderson 1992). Utilization review programs provided cost containment measures and fueled the trend toward outpatient rather than inpatient treatment. The focus of healthcare delivery shifted to ambulatory care and caused hospital occupancy rates to fall dramatically as outpatient procedures grew. Outpatient visits for healthcare grew from 181 million in 1970 to 352.2 million in 1989 (Williams and Torrens 1993).

The federal government helped swing the momentum toward ambulatory care with the implementation of the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) creating Diagnostic Related Groups (DRGs) as the basis for reimbursing hospitals for Medicare and Medicaid expenditures (Sulvetta 1991). The DRG case-mix system classified patients into one of 457 DRGs based on diagnosis and reimbursed hospitals a fixed amount based on the diagnosis, rather than on a fee-for-service (FFS) basis. This placed a financial risk and accompanying incentive on the facility to contain costs per admission (Teisberg, Porter and Brown 1994). Medicare inpatient days decreased from 116 million in 1983 to 91 million in 1986 following DRG implementation (Davis, et al. 1990).

Capitation was developed during this period in an effort to create an incentive for providers to practice more efficiently. Under capitation providers are paid a set amount per member per month (PMPM) to provide all healthcare for enrolled members. Providers were placed at financial risk for costs exceeding their capitated payments and conversely profited by controlling costs (Bader and Matheny 1994).

Employer efforts to control escalating healthcare costs have included: 1) cutting benefits; 2) shifting costs to employees through higher deductibles and copayments; 3) use of utilization



targets; 4) medical savings programs; 5) penalties for not strictly complying with insurance requirements such as preauthorizations; and 6) directly contracting with providers (McCally and Nauert 1993 and Trauner, 1987). Healthcare contracting gained momentum increasing by 12 percent, from 7,808 to 8,773 contracts, between 1993 and 1994 (Moore 1995). A survey of 250 top service firms and manufacturers found that 91 percent expected direct contracting with providers to grow in popularity in future years (Kenkel 1992). Seventy-five percent of civilian physicians had at least one managed care contract in 1993 (Eisenberg 1993). The future of contracting is expected to include all facets of the continuum of care, coordinated networks and more measurable quality tools (Johnsson 1992). If there are departments in the hospital that can be cost-effectively outsourced and still achieve the desired results, hospitals are going to contract the departments out, according to a senior vice president for strategic marketing and communications for hospitals (Moore 1995). The federal government has seized the contracting initiative with its Medicare program as more than 200 HMOs had contracts for healthcare coverage incorporating 2.6 million Medicare beneficiaries in 1994 (Polich and Riley 1994).

The Department of Defense (DoD) healthcare system lagged somewhat behind its civilian counterparts in pursuing cost containment measures. The DoD operates a two-tiered healthcare system consisting of the direct care system, known as the Military Health Services System (MHSS) and the military beneficiary insurance program, known as the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS). The MHSS operates 550 clinics worldwide with more than 127 hospitals in the United States. The costs of the MHSS in fiscal year (FY) 1995 were expected to be \$11.6 billion with an additional \$3.6 billion for CHAMPUS,

making the MHSS the largest healthcare system in the world (Baine 1995).

The MHSS provides services to 1.7 million active duty personnel and 6.6 million other beneficiaries (Baine 1995). The MHSS overall beneficiary population is depicted in Fig. 1.

The second tier of the DoD healthcare system is the CHAMPUS program. Created in 1956,

## MHSS Population by Beneficiary Category

FY 1995

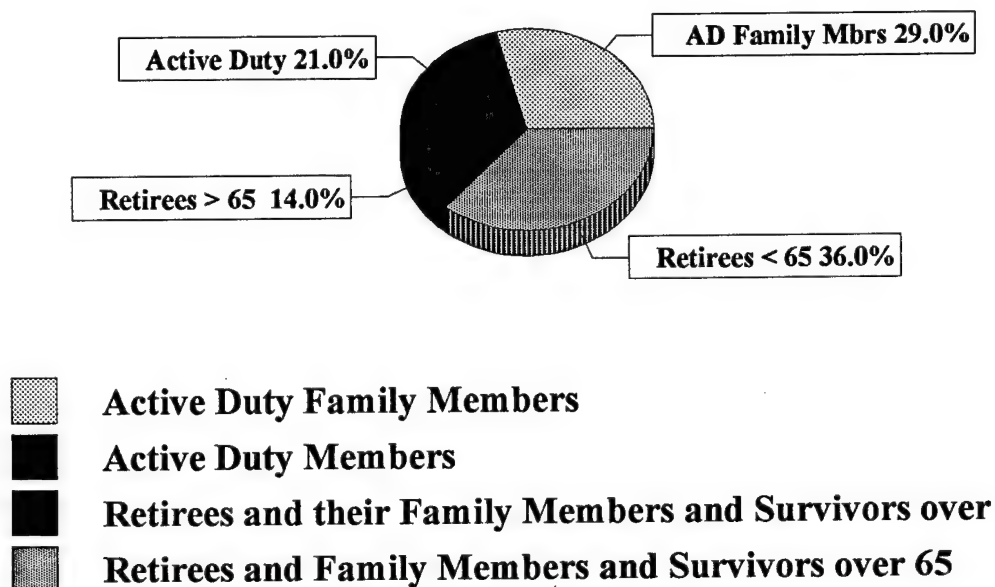


Fig. 1.

Source: Baine, GAO Report, March 1995

CHAMPUS is intended to provide comprehensive health benefits to family members of active duty and retired military personnel, retirees and survivors up to the age of 65. Between 1985 and 1989 CHAMPUS costs nearly doubled from \$1.4 billion to \$2.5 billion (Baine 1990). In 1985 managed care was proposed as an alternative for the MHSS and several initiatives were created

to contain rising CHAMPUS costs. A Government Accounting Office (GAO) study conducted in 1988 estimated 43 to 53 percent cost savings could be realized by transferring CHAMPUS patients to the MTF (GAO Report 1990). The DoD placed financial responsibility for CHAMPUS on the individual services in 1988 and CHAMPUS has used a Prospective Payment System (PPS) based on the Medicare PPS model ever since (Carter, et. al. 1994 and Hilsenrath 1990). Another initiative started in 1988 was the Military-Civilian Health Services Partnership Program (called the Partnership Program) through which individual MTFs formed agreements with providers to provide care for DoD beneficiaries within the MTF. The partnership provider would agree to accept a reduced CHAMPUS reimbursement from the maximum CHAMPUS allowable. The partnership provider's overhead costs are reduced since the MTF provides the ancillary staff and support, while the MTF gains through increased access and negotiated costs. By 1990 more than 1,300 partnerships were formed (GAO Report 1989).

Congress directed a new cost saving initiative in 1987 entitled the CHAMPUS Reform Initiative (CRI). The CRI attempted to control costs of healthcare with fixed-price contracts negotiated with private healthcare providers. The DoD established five guidelines governing CRI including (Baine 1987):

- 1) establish fixed-price contracts through which the provider assumes financial risk
- 2) ensure voluntary enrollment of beneficiaries to ensure increased access
- 3) provide healthcare finders, who can manage the referral process and conduct first level review for medical care appropriateness, to increase coordination of medical benefits
- 4) providers must adhere to quality assurance standards

#### 5) streamlined administrative procedures

The CRI was found to have saved the DoD more than \$7 million in the first six months of operation according to a Rand Corporation evaluation (Kenkel 1990). Another government cost containment strategy was the Catchment Area Management (CAM) project which began in 1989. This program gave the MTF commander responsibility for the MTF's CHAMPUS budget for the catchment area. The commander was authorized to allocate these funds in an attempt to deliver optimal healthcare within the MTF's catchment area. This was the first time the local MTF commander had control over both direct care and CHAMPUS budget dollars (Badgett 1990). The CRI and CAM initiatives were similar in that both programs incorporated financial risk. The incentive to establish successful contracts for healthcare became imperative to the MTF commander in an attempt to control costs. One CAM site, Evans Army Community Hospital, was able to post a \$17 million CHAMPUS cost avoidance from 1989 to 1992 (Armstrong and Took 1993).

The DoD started several contract initiatives with civilian hospitals, physicians, health insurers, HMOs, preferred provider organizations (PPO) and medical suppliers (Honiberg 1990). The present initiative, referred to as TRICARE, began in December 1993 and is designed to improve access and cut costs. TRICARE offers beneficiaries a choice of three health plans once the program is fully implemented. Beneficiaries will be free to choose TRICARE Prime, an HMO option; TRICARE Extra, offering a network of preferred providers; or to use TRICARE Standard, the standard CHAMPUS option (Baine 1994). The DoD goal is to have TRICARE fully implemented through 12 joint service regions by May 1997 with a five year implementation

cost of approximately \$17 billion (Baine 1995). TRICARE is based on beneficiary enrollment, capitation to allocate funds and stresses utilization management (UM), similar to civilian managed care programs. The fundamental principle of TRICARE is to award regional managed care contracts to civilian organizations to provide portions of the medical treatment package available to enrolled beneficiaries, previously provided by the MHSS or CHAMPUS, in an attempt to reduce costs while increasing access and maintaining quality. The pursuit of healthcare contracts by civilian and government agencies has become commonplace over the past twenty years, but it can be complicated, risky and difficult to properly implement (Baine 1995, Straley and Swaim 1994 and Fisher, et. al. 1991).

#### Statement of the Problem or Question

Contracting for healthcare has become a very cost-effective means of delivering levels of care many facilities may not otherwise be able to provide due to military budget and staff constraints. Many smaller facilities have been forced to seek negotiated contracts for this reason. The recent trend to merge, consolidate and even close medical facilities that were not cost effective is not unique to the civilian sector. As the DoD and the corresponding military healthcare budgets have declined over recent years, the need for more cost effective delivery of healthcare has taken on increased importance. Several MTFs have closed or been realigned as a result of the Base Realignment and Closure (BRAC) process and MTF commanders have been forced into a more business oriented bottom-line approach to managing their MTFs.

Raymond W. Bliss Army Community Hospital (RWBACH) located on Fort Huachuca,

Arizona faces many of these same dilemmas. The MTF has undergone a series of downsizing initiatives over the past several years, the results of which now place the MTF in a precarious position. The current inpatient ward can house 28 patients, but since obstetrical services were discontinued (May 1993) and the intensive care unit closed (February 1994) the average daily inpatient census has dropped to approximately eight patients. The MTF also averages five same day surgery cases per day. The RWBACH catchment area population consists of: 6,013 active duty members; 7,128 active duty family members; 4,013 retirees; 6,489 retiree family members, and 2,200 students of the U.S. Army Intelligence Center and School (Fig. 2).

Fort Huachuca is located in Sierra Vista, Arizona, an area considered rural by federal

## RWBACH Catchment Area Population

FY 1995

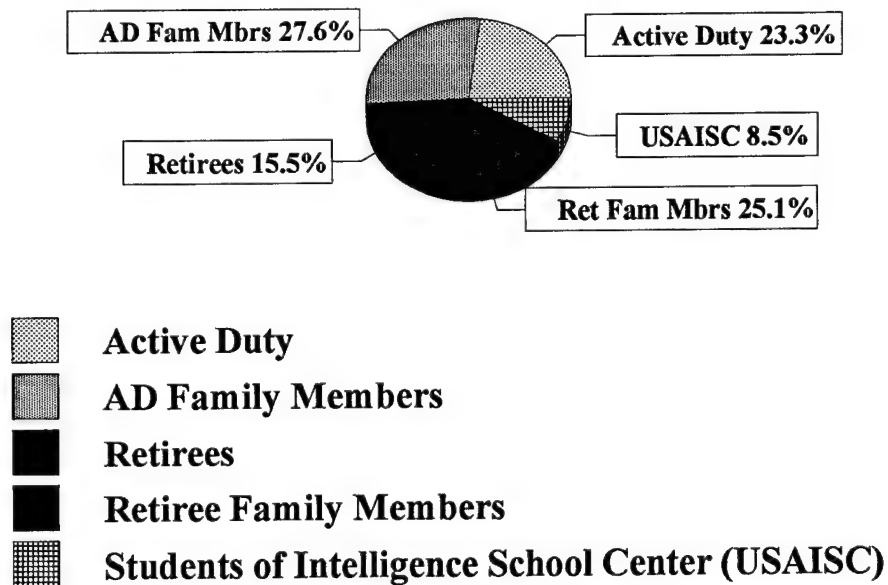


Fig. 2

Source: DEERS Database, December 1995

standards and there is only one local civilian hospital. Sierra Vista Community Hospital is a 71 bed, not-for profit modern acute-care facility with more than 400 hundred employees and over \$45 million in annual gross revenues. Due to the isolated location of Sierra Vista, a large number of inpatients must be transferred out of the catchment area to either Tucson, Arizona or William Beaumont Army Medical Center (WBAMC) in El Paso, Texas. A comprehensive listing of inpatients by DRG that received care in Tucson medical facilities or at Sierra Vista Community Hospital appears at Appendix 1.

Numerous steps have been taken by RWBACH to reduce the costs of these patient transfers. Discounts ranging from 10 to 40 percent have been negotiated with more than 800 providers in Sierra Vista and Tucson. These cost saving initiatives have helped reduce the MTF's CHAMPUS budget from more than \$11 million in 1992 to \$7.5 million in 1994. The MTF also has internal partnership agreements with more than 20 providers in various specialties providing an average discount of 30 percent from the CHAMPUS maximum allowable charge (Appendix 2). The MTF management of these partnership provider agreements has significantly increased in-house access to care and served as a cost avoidance to CHAMPUS. Currently, the MTF is negotiating an external partnership with Sierra Vista Community Hospital to allow the MTF's internal medicine providers to treat CHAMPUS beneficiaries in that civilian facility; thereby, further reducing CHAMPUS costs. The prospect of RWBACH discontinuing services, specifically inpatient services, has become a weekly topic of discussion. This issue is repeatedly addressed during the MTF's Quality Council meetings and teleconferences with higher headquarters. Recently RWBACH has had to address FY 1997 staffing reductions as well as a

\$1.08 million budget cut. The option of closing inpatient services is continually brought up as a possible means to achieve these financial and human resource cuts. The MTF commander must continue to maintain the bottom-line focus, while attempting to steer the hospital's long term strategy with other new initiatives and sound business decisions. The problem for the MTF commander is to determine what initiative(s) to develop next given RWBACH's precarious position.

### Literature Review

The intent of the literature search was to discover previous works which discuss cost containment, negotiations, considerations and motivations related to contracting for medical services in civilian and government healthcare facilities. The secondary motive for the literature review was to identify a make or buy analysis model for healthcare services suitable for use in this study.

In 1989, the Navy Medical Department (Bureau of Medicine) reorganized placing emphasis on managed care concepts. The Navy sought to improve the management of its cost structure. To help minimize costs while generating increased productivity the Navy program identified three components: 1) the organization must capitalize on information access, or having the proper information on-hand when needed to evaluate options and make decisions; 2) the resources used must be able to be shifted easily as economic conditions change; and 3) decision making must be decentralized allowing decisions to be made closer to the source of information (Hilsenrath 1990).



There are numerous articles available which provide advice and guidelines for the negotiation process. The negotiation process is important in order for the hospital to minimize risk and maximize opportunities. The hospital's Information Management Department (IMD) is critical in providing the tools to negotiate successfully. The IMD needs to provide actual costs, monitor resource utilization, bill and track receivables and evaluate the contract (Shapleigh 1993). According to Shapleigh, there are six steps to the managed care contracting cycle. First, is to determine the optimal pricing schedule. The hospital must know its true costs of doing business. The MTF should be able to anticipate possible questions such as defining the unit of service being priced, the number of units expected in the contract, how uncertainties regarding volume are addressed and the treatment of services beyond the scope of the contract (Honiberg 1990). There are numerous reimbursement methods to select from during the contract negotiation process including straight charges, straight discount on charges, sliding scale discount on charges, straight per diem charges, sliding scale per diem, differential by day in hospital, DRGs, service-related case rates, case rates, bed leasing, and capitation (Scroggins and Brayer 1993 and Kongstvedt 1995). Based on RWBACH's past experiences, the DRG method is the most likely choice since it offers the incentive of sharing risk with the contracted hospital, which makes the hospital an active partner in controlling utilization and limiting expenses.

The second step is to inform all hospital staff of the contract terms beginning with the admission process. Admission criteria should be a part of the contract and the staff must be educated as to the particulars of these criteria. The next three steps are concurrent process screening, utilization review and quality monitoring. Once patients are admitted they must be

reviewed to evaluate continued stays in the facility. Simultaneously, the hospital should monitor resource use in patient care to identify possible areas for cost controls. Quality assurance should be automated and provide indicators for routine quality review. The sixth, and possibly most crucial, step is to continually track the performance of the contract. The hospital should actually monitor this throughout the life cycle of the contract to assess the success or failure of the contract. Variances from projected revenues, costs or utilization should be analyzed (Scroggins and Brayer 1993 and Shapleigh 1993).

According to another article discussing the negotiation process, the hospital must have identified its goals prior to beginning the negotiation process. Other areas to consider include provider coverage and availability, and economic benefits. The contract itself should identify certain fundamental issues which include: 1) malpractice insurance; 2) the duties and responsibilities of the staff; 3) the use of ancillary services; 4) length of the contract; 5) termination; 6) changes in the law and how the contract addresses them; 7) payments to the hospital for services; and 8) dispute resolution (Caesar 1992 and Caesar 1993).

Contract negotiation stresses the clear identification of contractual parties and the need to research the other businesses' history and financial credibility. The contract should specifically define all covered services and the patient referral process. The terms of claims payments must be addressed as well. The hospital should determine the composition of the contractor's governing board and any possibility of sitting on it. Other issues of importance include quality control, ancillary service use, patient satisfaction measurement, marketing, dispute settlement, malpractice insurance, exclusivity and noncompetition clauses, length of the contract and the

need for legal counsel prior to signing any binding agreement (Masterson, 1992).

Managed care contracts are of two distinct varieties. First is the usual vendor-vendee relationship where a healthcare organization provides a service and the managed care plan is the service buyer. The second method has providers in long-term relationships with managed care plans sharing risk, selling services and sharing in the revenues (Bonney 1995). The negotiation of the contract should be a win-win situation for both parties. Bonney presents several principles for managed care contracting. The healthcare organization must be desirable, normally for more than just price reasons. There are several factors which increase the desirability of the organization including: location; number, quality and location of providers; image; service quality; technology; unique services, and managed care attitude. The next principle is to carefully consider several buyers and their long term survivability in choosing a contractual partner. Preparation is the basic foundation to successful contract negotiation in the service industry (Wickesser 1994). Prior to negotiations, the organization should define goals and objectives desired from the contract and develop relationships with the other organization. In a small or rural area, the negotiation team normally includes the Chief Executive Officer (CEO) and Chief Financial Officer (CFO). Others who may need to participate include the Chief Operating Officer (COO), managed care director and legal counsel. The larger team approach improves the organizational buy-in of the contract; increases the ability to listen during negotiations; decreases the possibility of making mistakes; increases understanding of complex issues; provides the ability to delegate tasks; provides for continuity within the organization; and provides an opportunity to train personnel for future negotiations. After the negotiation process

is completed, it is absolutely essential to finalize the contract using periodic sessions to discuss issues before they become problems. When preparing for the negotiation session, high, yet reasonable targets should be developed reference the terms of the contract. Contractual issues not affecting price are extremely important -- such as copayments, coordination of benefits and the claims process -- and should not be neglected. The administrator should ensure the terms of the contract are kept simple so they can be executed easily. Finally, during the negotiation process all parties must stay focused on the objectives, listen to opposing views and maintain a professional approach (Bonney 1995).

Healthcare contracts provide numerous benefits and risks. Selective contracting is seen as a necessary ingredient for long-term strategy success (Zaretsky 1991). When evaluating possible contracts several points should be considered. Numerous businesses shy away from establishing government business, thinking there is no profit to be had. These negative attitudes must be overcome through one-on-one contact with local businesses. The government contracting process is extremely complex and considerable information must be reviewed to be successful. The MTF must ensure possible contractors understand the time requirements to prepare proposals and develop business plans. The MTF should ensure information is available as soon as possible to aid potential contractors in preparing adequate proposals prior to the actual request for proposal release.

The MTF should evaluate contract possibilities to determine if the contract will be incremental revenue; whereby, the contractor's revenue increases at the expense of a competitor, or is substituted revenue where one source of revenue is merely replaced by another. The MTF

must be able to define and measure the quality of care rendered (Honiberg 1990). Quality of care issues include what the contract requires in terms of quality assurance programs and UR (McCally and Nauert 1993). The MTF must consider patient access issues to ensure access will be maintained at current levels or increased. The MTF must review the specialties and types of providers included in the contract (Rothenberg 1994). Other issues that will need to be considered include required changes to the credentialing process, medical record availability, malpractice coverages, grievance procedures and appeal processes, and contract termination provisions (Scroggins and Brayer 1993).

The MTF must take into consideration what the motivating factors are for both parties in negotiating a healthcare contract. A knowledge of the other party's motivation can be very useful during contract negotiations. Primarily, the civilian hospital will be acutely interested in improving, or in some cases holding onto, a volume of inpatient days and outpatient procedures (Kongstvedt 1995). The hospital is basically trading lower predictable prices in return for increased volume with its discounted agreement (Fine 1994). In the case of SVCH, the CEO is keenly aware of the profit that can be made from increasing inpatient days at the expense of the MTF. The CEO wants to increase his military business partly to increase his inpatient and income levels and partly to ensure his hospital creates strong ties with the MTF prior to the TRICARE contract being let next year. He is afraid if he does not properly position his facility he may be closed out. Therefore, he is attempting to position his organization for success in the rapidly changing healthcare environment. Other possible motivations could be to increase the hospital's competitive position, increase patient and workload volume, and to increase

opportunities for provider staff competency and training through a broader case load (Wakefield, et. al. 1994).

The government routinely contracts for services to achieve one or more of the following:  
1) to control or decrease costs; 2) to limit risk exposure; 3) to lessen taxpayer or beneficiary costs; or 4) to improve or maintain services without increasing costs (Jensen 1989). The government has used these as goals for such healthcare initiatives as the Primary Care for the Uniform Services (PRIMUS) program, CHAMPUS, and now with TRICARE.

Two Graduate Management Projects completed in recent years provided the basis for the make or buy methodology utilized later in this study. The first report reviewed cardiothoracic surgery at Wilford Hall Medical Center. This report provided great insight into the costing methodologies available and how to determine differential rather than full costs for a specific product line within a MTF (Watkins 1995). The second report conducted a cost comparison of inpatient workload at Wilford Hall Medical Center to determine if CHAMPUS was a more cost-effective means of delivering healthcare (Rogers 1994). Both of these reports utilize the Medical Expense and Performance Reporting System (MEPRS) data as a principle building block of their studies.

The MEPRS is the principle financial cost gathering mechanism within MTFs. The MEPRS contains manpower, expense and workload performance data by work center for MTFs and is based on six functional areas. The areas include: inpatient; outpatient; dental; ancillary services; support services; and special programs. Ancillary services include: clinical laboratory; pathology; radiology; pharmacy; and other areas contributing to patient diagnosis. Support

services include laundry service, food service, housekeeping and other non-medical areas.

Special programs include graduate medical education (GME), public health services and decedent affairs. The functional areas of MEPRS further identifies separate work centers within the MTF and tracks workload and expenses for each center. Average expenses from ancillary and support work centers are reallocated to the work center. The allocation is based on the percentage of ancillary and support workload performed for the specific work center. The MEPRS system for determining each center's overhead is to use the total physician and support personnel costs, utility costs, building and equipment depreciation, expendable supplies, fire and police protection and a percentage of workload estimates for ancillary services (Callahan 1991).

Expenses are entered in MEPRS as a Direct Expense Schedule (DES). The DES identifies all expenses associated with each work center. Information is provided by departments and is compiled by MEPRS. Workload information is gathered from the Composite Health Care System (CHCS). Workload statistics are calculated by the MEPRS using stepdown assignment statistics (SAS) data sets. Each SAS data set includes an identification number related to specific workload measures and MEPRS work centers and the corresponding workload for each center. The Expense Allocation System (EAS) is the automated system that processes the actual cost allocations from the intermediate operating accounts to final accounts. The EAS charges direct expenses of the ancillary and support work centers to the inpatient, outpatient, dental or special program which benefited from the expenses. Expenses from the cost pools are allocated to final operating accounts in the EAS during the final purification process. The Final Purification Report identifies the expense distribution from cost pools to final accounts. The report depicts

the dollar amounts calculated and allocated during purification. The Computation Summary provides the breakdown of total work center expenses by direct expense, support costs, ancillary costs, expenses formed cost pools and a final purified amount.

Fundamental to the MEPRS methodology and the study to be undertaken is an understanding of direct, indirect, fixed and variable costs. Direct costs are linked directly to a specific service, such as salaries of those providing the service. Indirect costs are costs which are not directly linked to providing of a specific service, such as the costs of operating the command section of MTF. The command section's salaries and supplies are not directly linked to any service within the hospital, but they are an overhead cost that must be paid by the facility. The easiest way to differentiate between direct and indirect costs is that direct costs go away with the deletion of the service. For example, if inpatient services are deleted then the costs of labor for the inpatient ward would no longer be required -- they would go away. These are direct costs. If inpatient services are deleted, the cost of operating the command section does not go away; therefore, these would be indirect costs. Fixed costs are those costs that do not change no matter what volume of business the facility does. An example of a fixed cost would be the mortgage payment for the building. Variable costs fluctuate with volume. A simple example of variable costs are utility payments. The more of a utility the business consumes the more it will have to pay for the utility (Finkler 1994).

### Purpose

The purpose of this study is to determine the cost effectiveness of continuing to offer



inpatient services at RWBACH (status quo) versus contracting externally (a make or buy decision) for inpatient services. There are several variables which must be taken into consideration to make an educated business decision of this magnitude. These variables include:

- 1) the number of FY 1995 dispositions, or cases, by DRG reported by MEPRS for RWBACH;
- 2) the total FY 1995 inpatient MEPRS expense; 3) the total FY 1995 inpatient third party collections; 4) the CHAMPUS cost-shares applicable to the FY 1995 RWBACH inpatient workload, and 5) the FY 1995 RWBACH military and civilian inpatient personnel salaries.

The more difficult to quantify variables, such as the social and political ramifications of the decision, should also be accounted for with some type of methodology. The study must utilize these variables in the determination of whether inpatient services are provided in house or services are to be contracted externally. The alternate hypothesis is inpatient services are more cost effective if provided at RWBACH. The null hypothesis being that inpatient services are not more cost effective if provided at RWBACH, in other words, inpatient services should therefore be contracted externally.

## CHAPTER II

### METHODS AND PROCEDURES

To validate the appropriateness of the results the following assumptions were made:

- 1) The data input into MEPRS is the only currently available cost accounting system providing the data needed to undertake this study and will be used for this reason.
- 2) The BRAC commission would not make any adverse decisions regarding the future of Fort Huachuca within the next three years.
- 3) No significant readiness or mission changes, which would change assigned personnel strength levels, will occur at RWBACH or on Fort Huachuca within the next three years.
- 4) Both RWBACH and Sierra Vista Community Hospital have recently passed JCAHO inspection standards; therefore, the quality of care provided is and will remain similar in both facilities.
- 5) Market conditions such as inflation rates, population growth, healthcare costs and labor costs will not change significantly in the Sierra Vista area over the next three years.
- 6) The present negotiated agreement for a 10 percent discount on inpatient services at Sierra Vista Community Hospital will be continued.

The preliminary data collection focuses on the MEPRS data base. Based on the report by Rogers cited previously, there are shortcomings in the MEPRS data that must be addressed in conducting the study. The overall methodology for the study will include a review of the costs to make and to buy inpatient services for RWBACH similar to that used in the Rogers' report.

Buy Equation

To determine the buy costs, FY 1995 CHAMPUS data will be used to estimate the cost of buying the study period inpatient workload. The FY 1995 Inpatient Workload at RWBACH by DRG and the associated CHAMPUS charges are provided by Appendix 3. This worksheet includes the number of cases per DRG experienced during the FY and the cumulative CHAMPUS charge per DRG. These by DRG totals are then summed to reach the total amount, based on CHAMPUS charges, that RWBACH would reasonably expect to pay for the 590 FY 1995 inpatient cases had the services been provided elsewhere. This is, accordingly, the initial buy equation price. Adjustments to this initial buy price will include estimating and adding the estimated CHAMPUS professional fees and estimating and subtracting the CHAMPUS patient cost-shares (Rogers 1994).

Graduate Medical Education (GME) expenses are purposely excluded from the Rogers' equation since they do not apply to this facility. Facility Depreciation is also excluded from the study since it is included in the MEPRS calculations as discussed previously. The Roger's study methodology accounted for the impact of the Third Party Collection Program (TPCP) and Other Health Insurance (OHI). The Rogers' methodology subtracts the total TPCP inpatient collections from the make equation and goes through a process to estimate the impact of OHI on the buy equation. The Sierra Vista Community Hospital would have at least an equal opportunity and sufficient sophistication to collect from patients' OHI; therefore, it is reasonable to expect the total amount collected would approximate that collected through the TPCP by RWBACH. Thus, the amount collected by Sierra Vista Community Hospital added to the buy side of the equation

and the RWBACH inpatient collections added to the make side of the equation offset any impact the TPCP or OHI would have on the make versus buy decision. It is for this reason that TPCP and OHI are purposefully left out of the equation.

The CHAMPUS professional fees to be added into the buy equation are based on the FY 1995 hospital and professional fees paid. The fees paid to CHAMPUS during the year for inpatient services include obstetrical (OB) care and are therefore inflated since the professional fees for the duration of the pregnancy through delivery are included in the inpatient fees paid. The amount is also not appropriate to the study since none of the inpatient services provided at RWBACH were for OB care. Therefore the amount of professional fees paid should be adjusted to eliminate OB from the equation so as not to bias the outcome. Accordingly, the OB hospital cost will be subtracted from the total government hospital costs and the OB professional cost will be subtracted from the total government professional costs. The new professional cost amount divided by the new hospital cost amount provides the percentage of costs attributable to professional fees with OB excluded. This percentage multiplied by the total allowable hospital CHAMPUS charges equals the estimated professional fees to be added into the buy equation.

To estimate the CHAMPUS patient cost-shares the FY 1995 total patient cost-shares paid minus the total OB patient cost-shares will be calculated to provide a revised total patient cost-share amount. The total admissions minus the OB admissions provides a revised total number of admissions. The revised total patient cost-share divided by the revised total admissions provides an average patient cost-share per admission with OB factored out of the equation. Multiplying this average patient cost-share figure by the total number of admissions at RWBACH provides an

estimated total patient cost-share amount if the inpatient services are provided elsewhere. The interim buy equation result minus the estimated patient cost-share amount will then provide the final buy equation cost.

### Make Equation

The make estimation of costs involves determining the government's cost of providing inpatient services using MEPRS data. The process of analyzing the MEPRS data includes determining the relevant costs to provide inpatient services. The department level cost report will be used to identify direct and indirect costs and appropriate percentages will be used to allocate the portion of the costs applicable to the inpatient service (Watkins 1995). These costs will be verified wherever possible to add validity. The MEPRS report for inpatient services provides the initial make equation cost of providing the inpatient services. The adjustment to this report is to decrement the fixed cost component attributed to inpatient services that will not go away if the inpatient services are provided elsewhere. To determine this fixed cost component, the initial MEPRS inpatient cost will be adjusted by subtracting an estimated inpatient salary component and subtracting an estimated other direct and indirect cost component attributed to inpatient services.

The fixed cost component includes numerous costs assigned by MEPRS to the inpatient service which will not go away with the elimination of inpatient services in the facility. This includes such items as: 1) portions of administrative personnel salaries assigned through the stepdown process to inpatient services such as the hospital commander; 2) depreciation, utilities,

maintenance and housekeeping costs for that part of the facility; 3) security and groundskeeping costs for the facility; equipment costs which were stepped down to inpatient services based on workload figures because the equipment will still be used in the facility such as the ultrasound machine, and 4) contracts for equipment and services which were also stepped down based on workload such as pharmacy machines and the radiologists' salaries.

Determining the contribution of the inpatient personnel component to the MEPRS inpatient total will be made using the Medical Command (MEDCOM) Manpower Assessment Model to assess possible staffing reductions. The model was run in 1994 by a visiting MEDCOM team of experts depicting data during FY 1994, then rerun withdrawing inpatient workload, except same day surgery, to provide comparison data. Based on the 1994 model results, a complete line-by-line review of the 1995 RWBACH Table of Distribution and Allowances (TDA) personnel authorization document will be made to update the model results and review possible staffing reductions considering that a small nursing staff will have to remain in place to support the SDS workload.

There are several variances from the 1994 study to be corrected or updated for this study. First, three of the positions the model results recommended deleting from the TDA have already been deleted from the 1995 TDA, thus these are not included as possible savings. Second, six positions have been identified for deletion from the TDA within the next six months; therefore, these positions are not included in this study as well. Third, twelve positions identified by the study for deletion based on workload changes are vacant. Since these positions are currently vacant it would be misleading to count these positions as financial savings; therefore, these are

not included in this study. Fourth, based on the line-by-line review of the model results, an additional four, currently filled, positions have been identified that can be deleted based on the inpatient workload shift. The civilian salaries in the model were based on a GS step 5 salary and the WG/WS/WL on a step 4 pay. The FY 1994 pay scale was used in the model for the base salary with 33 percent added for benefits. Military salaries used in the model were based on MEDCOM pay tables. The fifth and final adjustment is to update the personnel costs to adjust for pay increases from FY 1994 to FY 1995. The military base pay raise of 2 percent and the civilian raise of 3.09 percent are multiplied by model figures to reach the revised salaries for this study. The list of TDA positions dedicated to inpatient care and the savings projected by the elimination of inpatient services are provided by Appendix 4.

The portion of the FY 1995 inpatient MEPRS costs that can be determined as the direct and indirect savings component if the inpatient services are provided elsewhere also serves as a component of the MEPRS inpatient total. The review of the MEPRS costs that may be saved for the purposes of this study will be determined through a careful review of the MEPRS reports, at Appendix 5, with the guidance of the RWBACH Decision Information Support Center staff. The MEPRS inpatient expense minus the inpatient salary component and minus the other direct and indirect inpatient cost component leaves the fixed cost component which MEPRS assigns to the inpatient work center. The final make equation is then determined by subtracting the inpatient service fixed cost component from the total MEPRS inpatient expense.

The next important step in the study is to discuss the scenario with representatives from the Sierra Vista Community Hospital. Currently there is an agreement in place granting a 10

percent discount off the CHAMPUS allowable DRG rate. If the intention would be to continue to allow a CHAMPUS discount, the discount would be applied during the make versus buy computations. A make versus buy determination based on the FY 1995 inpatient experience can now be accomplished.

The reliability and validity of the study is dependent upon the accuracy of the MEPRS data. The reliability concerns the amount of error in the measurement process. In this study, since the sample was the population, the results accurately represent the population parameters being studied. A measure is reliable only to the degree that it supplies consistent results and the results are only as reliable as the data input allows (Emory 1985). The reliability of the study is concerned with the degree of confidence in which measurements taken were error-free. The reliability of the MEPRS data at RWBACH is believed to more accurate than average due to the extensive initial and on-going training provided to all data collection personnel. The validity of the CHAMPUS system is based in law and set forth in the CHAMPUS policy manual. There are no ethical concerns with this study since no individuals are personally identified nor tested.

#### Limitations of the Study

There is one primary limitation in this study. The impact of the TRICARE program cannot be estimated prior to the FY 1997 implementation of TRICARE in this region. To be properly addressed the TRICARE Bid Price Adjustment for the dramatic change in workload from the MTF to the contractor would have to be calculated and included in the make versus buy equation.



## CHAPTER III

### RESULTS

#### Buy Equation

The initial buy equation amount is derived from the total CHAMPUS charges for all 590 inpatient cases provided at RWBACH during FY 1995 depicted at Appendix 3. The total hospital CHAMPUS charge to the government, if this care was provided downtown would be \$1,904,103. This amount will then be adjusted as presented earlier in this study.

The estimated CHAMPUS professional fees for the RWBACH inpatient workload are calculated using the actual hospital CHAMPUS expenses from the CHAMPUS Health Care Summary by Primary Diagnosis report for FY 1995 at Appendix 6 using a four step process. Step one is to take the total OB hospital cost of inpatient care provided downtown, \$523,598, subtracted from the total hospital government cost of inpatient care provided downtown, \$3,007,186, to leave a revised actual downtown hospital inpatient cost of \$2,483,588 with OB factored out ( $\$3,007,186 - \$523,598$ ). Step two is to take the total OB professional cost paid for inpatient care downtown, \$968,046, subtracted from the total government professional cost paid for inpatient care downtown of \$1,547,004 to leave a revised downtown inpatient professional cost of \$578,958 with OB factored out ( $\$1,547,004 - \$968,046$ ). Step three is dividing these revised professional costs by the revised hospital cost ( $\$578,958$  divided by  $\$2,483,588$ ) which produces a multiplier of .23311 that will be used to estimate the professional fees required to transfer RWBACH's current inpatient workload downtown. The fourth and final step involves

multiplying the total allowable hospital CHAMPUS charges applied to current RWBACH inpatient procedures by this multiplier to produce the final estimated professional costs to perform the RWBACH workload downtown of \$443,865 (\$1,904,103 multiplied by .23311).

The four step process to estimate professional fees is shown as follows:

|    |   |                   |
|----|---|-------------------|
| 1) | Total Government Hospital Cost                  | \$3,007,186       |
|    | <u>- Total OB Hospital Cost</u>                 | <u>- 523,598</u>  |
|    | Equals the Revised Total Hospital Cost          | \$2,483,588       |
| 2) | Total Government Professional Cost              | \$1,547,004       |
|    | <u>- Total OB Professional Cost</u>             | <u>- 968,046</u>  |
|    | Equals the Revised Total Professional Cost      | \$ 578,958        |
| 3) | Revised Professional Cost                       | \$ 578,958        |
|    | <u>÷ Revised Hospital Cost</u>                  | <u>÷2,483,588</u> |
|    | Equals the Professional Fee Estimate Multiplier | .23311            |
| 4) | Total Hospital CHAMPUS Charge for RWBACH        | \$1,904,103       |
|    | <u>x Professional Fee Estimate Multiplier</u>   | <u>x .23311</u>   |
|    | Equals the Final Estimated Professional Fees    | \$ 443,865        |

The calculation of the patient cost-share involves a similar four step process. Step one uses the CHAMPUS Health Care Summary by Primary Diagnosis data for FY 1995, attached at Appendix 6, which indicates that the actual patient cost-shares paid for inpatient care downtown equaled \$532,213 and the OB portion of these cost-shares totaled \$41,718. The difference between these totals, \$490,495, is the patient cost-shares paid for inpatient care downtown with OB factored out (\$532,213 - 41,718). Step two takes the total admissions downtown, 1201, minus the OB admissions downtown, 405, leaving 796 admissions downtown with OB factored

out (1201 - 405). Step three involves taking the revised patient cost-share with OB factored out for care rendered downtown, \$490,495, divided by the revised admissions downtown, 796, which provides an average cost-share per admission downtown of \$616.20 with OB factored out. The fourth step uses this average cost-share per admission downtown multiplied by the actual number of inpatient admissions at RWBACH thus providing an estimated patient cost-share of \$363,558 for RWBACH's inpatient workload had the care been rendered downtown (\$616.20 multiplied by 590). This four step process to estimate the patient cost-shares is shown as follows:

|    |  |                 |
|----|--|-----------------|
| 1) | Total Patient Cost-Shares                      | \$ 532,213      |
|    | <u>- Total OB Patient Cost-Shares</u>          | <u>- 41,718</u> |
|    | Equals the Revised Total Patient Cost-Share    | \$ 490,495      |
| 2) | Total Admissions                               | 1,201           |
|    | <u>- Total OB Admissions</u>                   | <u>- 405</u>    |
|    | Equals the Revised Total Admissions            | 796             |
| 3) | Revised Total Patient Cost-Share               | \$ 490,495      |
|    | <u>÷ Revised Total Admissions</u>              | <u>÷ 796</u>    |
|    | Equals the Average Cost-Share per Admission    | \$ 616.20       |
| 4) | Average Cost-Share Per Admission               | \$ 616.20       |
|    | <u>x Number of RWBACH Inpatient Admissions</u> | <u>x 590</u>    |
|    | Equals the Final Estimated Patient Cost-Share  | \$ 363,558      |

The computation for professional fees and patient cost-shares are used to modify the computed RWBACH FY 1995 inpatient CHAMPUS charge of \$1,904,103 (Appendix 3). The first modification is the addition of the CHAMPUS professional fees which totaled \$443,865. The resulting sum is \$2,347,968 (\$1,904,103 + \$443,865). The second modification is the deduction for patient cost-shares totaling \$363,558. The difference is \$1,984,410 (\$2,347,968 -

\$363,558). The final buy equation without a discount for the 590 inpatient cases at RWBACH

for FY 1995 came to \$1,984,410. The equation is as follows:

|   |             |
|---|-------------|
| Total CHAMPUS Allowable Charge (no discount): | \$1,904,103 |
|---|-------------|

|                                 |             |
|---------------------------------|-------------|
| Plus: CHAMPUS Professional Fees | +\$ 443,865 |
|---------------------------------|-------------|

|                            |                    |
|----------------------------|--------------------|
| Less: Patient Cost-Shares: | <u>-\$ 363,558</u> |
|----------------------------|--------------------|

|  |             |
|--|-------------|
| Equals: FY 1995 Total Cost to Buy 590 Inpatient Services<br>at Sierra Vista Community Hospital | \$1,984,410 |
|--|-------------|

#### Make Equation

The RWBACH FY 1995 total inpatient expenses, according to MEPRS, was \$5,468,747 (Appendix 5). The adjustments to this amount include subtracting the estimated inpatient salary cost component and the direct and indirect cost component attributed to the inpatient service to arrive at an estimated fixed cost component assigned by MEPRS to the inpatient service as presented earlier in this study.

Reviewing the inpatient salary costs there are 26 civilian positions totaling \$987,674 and 33 military positions totaling \$1,141,080 in salaries cut for the purposes of this study. The total inpatient personnel contribution to inpatient MEPRS expense is \$2,128,754 (Appendix 4). The total inpatient expenses less the inpatient salary component provides an interim total of \$3,339,993 (\$5,468,747 - 2,128,754).

The next step is to determine all the other costs of providing inpatient services that would be avoided if the inpatient services were provided elsewhere. These component costs include: the direct and indirect supply and equipment costs of inpatient services; the indirect supply, equipment and contract costs for food services; the direct contract reductions for linen and cable

television services; and the temporary duty training expenses related to providing inpatient services. The MEPRS provides separate calculations for each of these expense categories which are included in Appendix 5. The 25 percent reduction in linen contract costs created by the deletion of inpatient services is based on an informed estimate by the Logistics Officer. The 14 percent reduction in contracted cable television outlets required is due to the elimination of inpatient services is based on an informed estimate by the Chief, Information Management Officer. Utilizing the MEPRS reports the actual amounts attributable to this component of inpatient services totals \$1,487,100, which is depicted on the MEPRS summation sheet at Appendix 5. Subtracting this from the adjusted total presented in the previous paragraph leaves a total of \$1,852,893 (\$3,339,993 - \$1,487,100). This remainder is the amount of MEPRS costs that can be directly attributed to fixed costs assigned by MEPRS to the inpatient service that would remain if the inpatient services were provided elsewhere. Therefore the final make equation totals \$3,465,140 (\$5,468,747 - 1,852,893). The final make equation provides the amount of the federal appropriations for FY 1995 required to provide the 590 inpatient services at RWBACH. This total amount was \$3,465,140 which breaks down as follows:

|                               |             |
|-------------------------------|-------------|
| Total MEPRS Inpatient Expense | \$5,468,747 |
|-------------------------------|-------------|

|                               |                     |
|-------------------------------|---------------------|
| Total MEPRS Inpatient Expense | \$5,468,747         |
| Less Inpatient Salary Savings | -\$2,128,754        |
| Less Other MEPRS Savings      | <u>-\$1,487,100</u> |
| Equals MEPRS Fixed Costs      | \$1,852,893         |

|                        |                     |
|------------------------|---------------------|
| Less MEPRS Fixed Costs | <u>-\$1,852,893</u> |
|------------------------|---------------------|

Equals: The Revised Federal Appropriation for RWBACH \$3,465,140  
For FY 1995 to Provide 590 Inpatient Services

### Buy/Make Results

The study shows a cost savings of \$1,480,730, a 43 percent difference, between make and buy which could be made, with no discount, by contracting for inpatient services at Sierra Vista Community Hospital. As previously presented RWBACH currently has an agreement in place which provides a 10 percent discount off the CHAMPUS allowable DRG rate. The possibility of continuing the 10 percent discount was discussed with the CEO and COO of Sierra Vista Community Hospital. These individuals felt this agreement was fair to both parties and the current agreement could be continued even if the changes proposed by this study were to occur. For the purposes of this study Table 1 was developed which depicts several alternative discounts from the CHAMPUS allowable DRG rate and the resulting impact. The table depicts several different CHAMPUS discount scenarios for analysis purposes. The table begins with a column depicting the make equation with no discount as just presented and goes on to depict the results of the make equation with discounts ranging from 5 to 25 percent. The deductions to the equation for professional fees and patient cost-shares would remain unchanged regardless of the CHAMPUS discount the Sierra Vista Community Hospital provides for inpatient services.

The agreed upon 10 percent discount would increase the differential to \$1,671,140, or 48 percent, over the cost of providing the inpatient services at RWBACH.

Analyzing the table results further shows a 15 percent discount off the CHAMPUS allowable DRG rate would result in cost savings of \$1,766,345, or a 51 percent savings. The 20 percent discount results in a cost savings of \$1,861,551, or a 54 percent savings. The 25 percent discount results in a cost savings of \$1,956,756, or a 56 percent savings.

Table 1.  
Alternate CHAMPUS Allowable DRG Rate Discounts  
RWBACH FY 1995

|  | No<br>Discount | 5%<br>Discount | 10%<br>Discount | 15%<br>Discount | 20%<br>Discount | 25%<br>Discount |
|--|----------------|----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Inpatient<br/>CHAMPUS<br/>Charge</b>        | \$1,904,103    | \$1,808,898    | \$1,713,693     | \$1,618,488     | \$1,523,282     | \$1,428,077     |
| <b>+<br/>CHAMPUS<br/>Professional<br/>Fees</b> | \$443,865      | \$443,865      | \$443,865       | \$443,865       | \$443,865       | \$443,865       |
| <b>- Patient<br/>Cost-Shares</b>               | \$363,558      | \$363,558      | \$363,558       | \$363,558       | \$363,558       | \$363,558       |
| <b>Final Buy<br/>Equation<br/>Price</b>        | \$1,984,410    | \$1,889,205    | \$1,794,000     | \$1,698,795     | \$1,603,589     | \$1,508,384     |
| <b>Final Make<br/>Equation<br/>Price</b>       | \$3,465,140    | \$3,465,140    | \$3,465,140     | \$3,465,140     | \$3,465,140     | \$3,465,140     |
| <b>Difference</b>                              | \$1,480,730    | \$1,575,935    | \$1,671,140     | \$1,766,345     | \$1,861,551     | \$1,956,756     |
| <b>% Difference</b>                            | 43%            | 45%            | 48%             | 51%             | 54%             | 56%             |

## CHAPTER IV

## DISCUSSION

Over the years several GAO and DoD reports have indicated the financial advantage enjoyed by MTFs has been slowly eroding away. The financial advantage in 1994 showed the military's direct care system to have a 1 or 2 percent edge over CHAMPUS, significantly down from the 44 percent thought in 1985. As healthcare progresses more and more into the managed care arena that advantage may finally erode away completely. As discussed previously MTF Commanders can no longer take a reactive approach in managing their dwindling resources. The results of this report indicate that the financial advantage over CHAMPUS has not only gone away, but that the pendulum may have, in fact, swung the other direction.

The 1994 study by Rogers, cited previously, found similar results for Wilford Hall Medical Center and called for a more effective cost finding/cost accounting system to allow MTF Commanders the ability to probe into their cost centers and determine where the opportunities for improvement exist. The MEPRS does not provide the latitude for such an examination and should be revised or replaced with a more effective system for this reason. The consistency of results, as found in this and in the Rogers' report lends credence to the immediate need for improvements in the inpatient healthcare system before drastic changes are made at much higher echelons which will force the closure or privatization of such services. The impending TRICARE contract for this facility will force many changes, hopefully, most of which will be towards more cost-effective means of delivering healthcare. The TRICARE plan is expected to



be more cost-effective than the current CHAMPUS or MTF method of delivering healthcare, which will only serve to add even more pressure on MTF Commanders to reduce the cost of providing healthcare services. The MTF Commander must be proactive and creative to survive in this competitive environment. In order to be successful MTF Commanders must have the proper tools at their disposal. Some of the critical tools needed will include a more responsive cost accounting system and highly sophisticated utilization management program. The proactive MTF Commander will realize if these critical tools are not going to be provided to them, they must seek them out.

## CHAPTER V

### CONCLUSIONS AND RECOMMENDATIONS

The results of this study indicate it is no longer cost-effective to continue providing inpatient services at Raymond W. Bliss Army Community Hospital. The social and political ramifications of such a decision would be overwhelming in such a small, rural population center. The installation and the large retiree population would create an immediate and very vocal negative response to such a decision. It is for this reason that the MTF Commander must immediately seek creative solutions to this problem.

Internally, the MTF Commander should begin a work center analysis to determine which inpatient work centers are not cost-effective and immediately reverse this. This study was limited to only inpatient services, as a whole, but in researching the individual cost centers such limitations are not advised. The entire healthcare delivery system must be reviewed and areas for improvement identified and plans made to immediately begin to rectify the problem. These areas must be turned around before the TRICARE contract starts in February 1997, or the problems will magnify as the contractor profits from the MTF's problems.

The increasingly competitive environment will also force small MTFs, such as RWBACH, to look for assistance with impending threats to their survival. The MTF Commander should look to the Regional Commander for assistance in obtaining a better cost accounting system for the region due to the large financial outlay such a purchase will require. The Regional Commander could very easily research and purchase a system for use within the

entire region. This same approach can and should be taken for the issue of Utilization Management. These two areas are only the tip of the iceberg as far as possible economies of scale the region could provide for its smaller MTFs.

The results of this study clearly depict the cost savings that could be made by contracting for inpatient services with Sierra Vista Community Hospital. A decision to move inpatient services to Sierra Vista Community Hospital in effect vests the facility with inpatient monopoly status. Sierra Vista Community Hospital currently qualifies by federal standards as a small, isolated rural facility and therefore would be allowed to bill charges instead of their current method of billing by DRG if their management desired to. The CEO made the decision several years ago in order to procure the OB workload from the MTF to bill by DRGs. If the MTF chooses, or is forced, to close its inpatient services the CEO could easily change to billed charges. This would not only dramatically increase the cost of contracting for inpatient services, but also significantly increase the CHAMPUS cost for the 824 inpatient cases already provided at Sierra Vista Community Hospital. This shift to billed charges would also increase the patient cost-shares. Further study should be made into the financial costs of all workload currently done at Sierra Vista Community Hospital, as well as the increased inpatient workload, coming under billed charges rather than DRG rates prior to making the decision to close inpatient services at Raymond W. Bliss Army Community Hospital.

## DEFINITIONS

Capitation - The per capita payment for providing a specific menu of health services to a defined population over a set period of time.

Catchment area - A forty mile radius which encircles a military treatment facility for which the hospital commander is responsible.

Civilian Health and Medical Program of the Uniformed Services - CHAMPUS is the comprehensive health insurance program offered by the Department of Defense to military family members, military retirees and their family members and other designated members of the Department of Defense.

Copayment - A payment made by an enrollee at the time that selected medical services are rendered.

Deductible - The part of a person's health care expenses the individual must pay for before coverage from the insurer begins.

Diagnostic Related Groups - A classification system using major diagnostic categories based on the International Classification of Diseases-9 codes developed at Yale University.

Fee-For-Service - A plan where the patient is charged according to a fee schedule set for each service and/or procedure provided.

Health Maintenance Organization - An organization of health care personnel and facilities that provides a comprehensive range of health services to an enrolled population for a fixed sum of money paid in advance for a specified period of time.

Managed Care - A planned and coordinated health delivery system which attempts to provide the highest quality and lowest cost healthcare to patients by influencing the behaviors of providers through incentives, penalties and practice monitoring.

Military/Civilian Health Services Partnership Program - federal legislation which allows private healthcare providers to provide healthcare to eligible CHAMPUS beneficiaries within military treatment facilities. Providers agree to discounted reimbursements and bill CHAMPUS directly for healthcare rendered, rather than billing the patients.

Per Member Per Month - This refers to the cost or revenue from each plan's member for one month.

Preferred Provider Organization - A group of physicians and/or hospitals who contract with an employer to provide services to their employees. The patient has the choice of seeing a preferred provider in the organization at a discounted rate or going outside the organization and paying for the increased costs of medical care.

Utilization Review - This is a systematic evaluation of the necessity, appropriateness and efficiency of the use of health care services, procedures and facilities. It includes prospective (prior to admission), concurrent (while care is provided), and retrospective (after care is provided) reviews and evaluations.

## **APPENDIX 1**

### **Inpatients by DRG in Tucson/Sierra Vista Facilities**

# Inpatients by DRG in Tucson/Sierra Vista Facilities

El Dorado Hospital (Tucson, AZ)

| DRG |   | Cases | Institutional Charges |          |                | Professional Charges |          |                |
|-----|---|-------|-----------------------|----------|----------------|----------------------|----------|----------------|
|     |   |       | Govt Pay              | Oth Hlth | Ins Pnt Paymnt | Govt Pay             | Oth Hlth | Ins Pnt Paymnt |
| 004 | SPINAL PROCEDURES                                   | 1     | \$716                 | \$1,825  | \$1,825        | \$0                  | \$33     | \$11           |
| 124 | CIRCULATORY DISORDERS EXC AMI, WITH CARD CATH & COM | 1     | \$2,370               | \$0      | \$1,938        | \$4,291              | \$0      | \$1,580        |
| 150 | PERITONEAL ADHESIOLYSIS WITH CC                     | 1     | \$6,096               | \$0      | \$1,292        | \$5,444              | \$0      | \$3,180        |
| 124 | CIRCULATORY DISORDERS EXC AMI, WITH CARD CATH & COM | 1     | \$3,016               | \$0      | \$1,292        | \$1,446              | \$0      | \$482          |
|     |   | 4     | \$12,197              | \$1,825  | \$6,347        | \$11,181             | \$33     | \$5,254        |

Tucson Medical Center (Tucson, AZ)

| DRG | Cases | Description  | Institutional Charges |              |            | Professional Charges |              |            |
|-----|-------|--|-----------------------|--------------|------------|----------------------|--------------|------------|
|     |       |  | Govt Pay              | Oth Hlth Ins | Pnt Paymnt | Govt Pay             | Oth Hlth Ins | Pnt Paymnt |
| 000 | 15    |  | \$74,511              | \$4,548      | \$17,497   | \$15,487             | \$823        | \$4,278    |
| 009 | 1     | SPINAL DISORDERS & INJURIES                            | \$12,401              | \$0          | \$594      | \$3,532              | \$0          | \$1,330    |
| 014 | 1     | SPECIFIC CEREBROVASCULAR DISORDERS EXCEPT TIA          | \$1,559               | \$0          | \$323      | \$4,934              | \$0          | \$1,749    |
| 024 | 1     | SEIZURE & HEADACHE AGE >17 WITH CC                     | \$1,974               | \$0          | \$1,292    | \$579                | \$0          | \$231      |
| 026 | 1     | SEIZURE & HEADACHE AGE 0-17                            | \$1,782               | \$0          | \$0        | \$101                | \$0          | \$0        |
| 027 | 1     | TRAUMATIC STUPOR & COMA, COMA >1 HR                    | \$6,323               | \$0          | \$25       | \$591                | \$0          | \$278      |
| 052 | 1     | CLEFT LIP & PALATE REPAIR                              | \$2,220               | \$0          | \$25       | \$1,777              | \$0          | \$0        |
| 088 | 1     | CHRONIC OBSTRUCTIVE PULMONARY DISEASE                  | \$2,869               | \$0          | \$969      | \$191                | \$0          | \$64       |
| 098 | 1     | BRONCHITIS & ASTHMA AGE 0-17                           | \$1,728               | \$0          | \$38       | \$452                | \$0          | \$0        |
| 144 | 1     | OTHER CIRCULATORY SYSTEM DIAGNOSES WITH CC             | \$29,006              | \$0          | \$6,492    | \$9,113              | \$0          | \$962      |
| 171 | 1     | OTHER DIGESTIVE SYSTEM O.R. PROCEDURES W/O CC          | \$3,476               | \$0          | \$47       | \$2,702              | \$0          | \$154      |
| 180 | 1     | G.I. OBSTRUCTION WITH CC                               | \$3,181               | \$0          | \$0        | \$1,940              | \$0          | \$14       |
| 184 | 2     | ESOPHAGITIS, GASTROENT & MISC DIGEST DISORDERS AGE 0   | \$1,951               | \$0          | \$50       | \$163                | \$0          | \$130      |
| 190 | 1     | OTHER DIGESTIVE SYSTEM DIAGNOSES AGE 0-17              | \$1,355               | \$0          | \$25       | \$253                | \$0          | \$0        |
| 206 | 1     | DISORDERS OF LIVER EXC MALIG, CIRRH, ALC HEPA W/O CC   | \$2,223               | \$0          | \$40       | \$514                | \$0          | \$0        |
| 215 | 1     | BACK & NECK PROCEDURES W/O CC                          | \$3,377               | \$0          | \$813      | \$4,087              | \$0          | \$1,362    |
| 245 | 1     | BONE DISEASES & SEPTIC ARTHROPATHIES W/O CC            | \$2,221               | \$0          | \$1,274    | \$189                | \$0          | \$63       |
| 265 | 1     | SKIN GRAFT &/OR DEBRID EXC FOR SKIN ULCER OR CELLULITI | \$2,408               | \$0          | \$323      | \$126                | \$0          | \$42       |
| 358 | 1     | UTERINE & ADNEXA PROC FOR NON-MALIGNANCY WITH CC       | \$2,598               | \$0          | \$1,292    | \$1,565              | \$0          | \$692      |
| 370 | 1     | CESAREAN SECTION WITH CC                               | \$3,236               | \$0          | \$33       | \$2,568              | \$0          | \$0        |
| 371 | 1     | CESAREAN SECTION W/O CC                                | \$9,874               | \$0          | \$214      | \$2,353              | \$0          | \$0        |
| 372 | 1     | VAGINAL DELIVERY WITH COMPLICATING DIAGNOSES           | \$1,811               | \$0          | \$22       | \$1,323              | \$0          | \$0        |
| 373 | 2     | VAGINAL DELIVERY W/O COMPLICATING DIAGNOSES            | \$2,517               | \$0          | \$50       | \$2,090              | \$0          | \$0        |
| 379 | 1     | THREATENED ABORTION                                    | \$5,382               | \$0          | \$270      | \$2,249              | \$0          | \$148      |
| 391 | 2     | NORMAL NEWBORN   | \$744                 | \$0          | \$0        | \$86                 | \$0          | \$0        |
| 394 | 1     | OTHER O.R. PROCEDURES OF THE BLOOD & BLOOD FORMING     | \$2,707               | \$0          | \$25       | \$424                | \$0          | \$0        |
| 451 | 1     | POISONING AND TOXIC EFFECTS OF DRUGS AGE 0-17          | \$1,056               | \$0          | \$323      | \$0                  | \$0          | \$0        |
| 453 | 1     | COMPLICATIONS OF TREATMENT W/O CC                      | \$1,409               | \$0          | \$25       | \$3,207              | \$0          | \$4        |
| 475 | 2     | RESPIRATORY SYSTEM DIAGNOSIS WITH VENTILATOR SUPPO     | \$29,465              | \$0          | \$1,986    | \$1,553              | \$0          | \$116      |
|     | 47    |  | \$215,366             | \$4,548      | \$34,065   | \$64,151             | \$823        | \$11,616   |



Sierra Vista Community Hospital (Sierra Vista, AZ)

| DRG | Cases | Institutional Charges |                         | Professional Charges |                         |
|-----|-------|-----------------------|-------------------------|----------------------|-------------------------|
|     |       | Govt Pay              | Oth Hlth Ins Pnt Paymnt | Govt Pay             | Oth Hlth Ins Pnt Paymnt |
| 000 | 28    | \$61,711              | \$0                     | \$26,295             | \$0                     |
| 012 | 1     | \$3,857               | \$0                     | \$588                | \$0                     |
| 070 | 1     | \$0                   | \$2,396                 | \$0                  | \$0                     |
| 079 | 1     | \$0                   | \$17,344                | \$258                | \$629                   |
| 088 | 1     | \$0                   | \$8,039                 | \$0                  | \$0                     |
| 090 | 1     | \$800                 | \$0                     | \$1,311              | \$0                     |
| 095 | 1     | \$1,654               | \$0                     | \$412                | \$0                     |
| 097 | 2     | \$804                 | \$1,544                 | \$137                | \$0                     |
| 127 | 1     | \$716                 | \$2,574                 | \$26                 | \$276                   |
| 130 | 2     | \$0                   | \$16,355                | \$294                | \$1,017                 |
| 138 | 1     | \$398                 | \$0                     | \$3,832              | \$0                     |
| 140 | 7     | \$4,997               | \$2,465                 | \$3,153              | \$127                   |
| 143 | 5     | \$4,347               | \$6,949                 | \$1,791              | \$5                     |
| 149 | 1     | \$2,033               | \$0                     | \$1,481              | \$0                     |
| 150 | 1     | \$4,339               | \$0                     | \$466                | \$0                     |
| 158 | 1     | \$1,509               | \$0                     | \$1,105              | \$0                     |
| 180 | 1     | \$568                 | \$0                     | \$2,702              | \$0                     |
| 182 | 2     | \$0                   | \$0                     | \$1,529              | \$0                     |
| 183 | 3     | \$3,563               | \$0                     | \$1,833              | \$0                     |
| 202 | 1     | \$0                   | \$9,374                 | \$213                | \$1,628                 |
| 204 | 1     | \$1,214               | \$0                     | \$335                | \$0                     |
| 206 | 1     | \$1,457               | \$0                     | \$1,394              | \$0                     |
| 209 | 5     | \$25,756              | \$7,377                 | \$10,450             | \$183                   |
| 210 | 1     | \$5,555               | \$0                     | \$1,671              | \$0                     |
| 211 | 1     | \$0                   | \$6,016                 | \$150                | \$2,025                 |
| 215 | 2     | \$2,308               | \$0                     | \$3,467              | \$0                     |
| 219 | 1     | \$2,917               | \$0                     | \$998                | \$0                     |
| 235 | 1     | \$160                 | \$1,818                 | \$754                | \$0                     |
| 277 | 1     | \$1,612               | \$0                     | \$18                 | \$142                   |
| 278 | 1     | \$976                 | \$1,180                 | \$371                | \$0                     |
| 294 | 2     | \$1,064               | \$2,261                 | \$486                | \$0                     |
| 300 | 1     | \$0                   | \$2,118                 | \$1,377              | \$0                     |
| 321 | 1     | \$0                   | \$2,118                 | \$332                | \$72                    |

|     |   |     |           |           |           |           |          |          |
|-----|---|-----|-----------|-----------|-----------|-----------|----------|----------|
| 323 | URINARY STONES WITH CC. AND /OR ESW LITHOTRIPSY     | 2   | \$3,162   | \$0       | \$715     | \$2,085   | \$0      | \$726    |
| 358 | UTERINE & ADNEXA PROC FOR NON-MALIGNANCY WITH CC    | 2   | \$3,191   | \$9,228   | \$3,286   | \$2,288   | \$2,995  | \$1,550  |
| 359 | UTERINE & ADNEXA PROC FOR NON-MALIGNANCY W/O CC     | 11  | \$19,875  | \$14,158  | \$4,989   | \$23,171  | \$513    | \$1,115  |
| 361 | LAPAROSCOPY & INCISIONAL TUBAL INTERRUPTION         | 1   | \$0       | \$0       | \$2,337   | \$1,727   | \$0      | \$576    |
| 370 | CESAREAN SECTION WITH CC                            | 9   | \$23,876  | \$0       | \$1,006   | \$21,385  | \$0      | \$687    |
| 371 | CESAREAN SECTION W/O CC                             | 42  | \$81,856  | \$4,348   | \$6,225   | \$89,461  | \$1,753  | \$3,029  |
| 372 | VAGINAL DELIVERY WITH COMPLICATING DIAGNOSES        | 13  | \$17,422  | \$0       | \$300     | \$17,992  | \$0      | \$0      |
| 373 | VAGINAL DELIVERY W/O COMPLICATING DIAGNOSES         | 249 | \$244,926 | \$6,382   | \$16,127  | \$336,812 | \$4,740  | \$8,984  |
| 374 | VAGINAL DELIVERY WITH STERILIZATION AND/OR D&C      | 8   | \$14,370  | \$0       | \$200     | \$17,509  | \$0      | \$0      |
| 376 | POSTPARTUM AND POST ABORTION DIAGNOSES W/O O.R. PR  | 4   | \$4,178   | \$0       | \$232     | \$1,834   | \$0      | \$388    |
| 378 | ECTOPIC PREGNANCY                                   | 1   | \$1,991   | \$0       | \$25      | \$636     | \$0      | \$110    |
| 379 | THREATENED ABORTION                                 | 7   | \$9,723   | \$0       | \$410     | \$2,261   | \$0      | \$0      |
| 383 | OTHER ANTEPARTUM DIAGNOSES WITH MEDICAL COMPLICATI  | 9   | \$8,615   | \$0       | \$737     | \$1,521   | \$0      | \$0      |
| 384 | OTHER ANTEPARTUM DIAGNOSES W/O MEDICAL COMPLICATI   | 2   | \$1,953   | \$0       | \$90      | \$595     | \$0      | \$0      |
| 391 | NORMAL NEWBORN                                      | 370 | \$111,776 | \$0       | \$482     | \$70,889  | \$0      | \$1,041  |
| 415 | O.R. PROCEDURE FOR INFECTIOUS & PARASITIC DISEASES  | 1   | \$9,426   | \$0       | \$48      | \$954     | \$0      | \$0      |
| 418 | POSTOPERATIVE & POST-TRAUMATIC INFECTIONS           | 1   | \$2,879   | \$0       | \$13      | \$184     | \$0      | \$0      |
| 450 | POISONING AND TOXIC EFFECTS OF DRUGS AGE >17 W/O CC | 2   | \$1,276   | \$2,149   | \$1,326   | \$108     | \$167    | \$235    |
| 451 | POISONING AND TOXIC EFFECTS OF DRUGS AGE 0-17       | 2   | \$1,120   | \$3,043   | \$1,177   | \$308     | \$0      | \$0      |
| 452 | COMPLICATIONS OF TREATMENT WITH CC                  | 1   | \$1,389   | \$0       | \$323     | \$32      | \$0      | \$11     |
| 453 | COMPLICATIONS OF TREATMENT W/O CC                   | 1   | \$675     | \$0       | \$579     | \$22      | \$0      | \$7      |
| 461 | O.R. PROC W/ DIAGNOSES OF OTHER CONTACT WITH HEALTH | 2   | \$8,187   | \$0       | \$50      | \$4,184   | \$0      | \$0      |
| 467 | OTHER FACTORS INFLUENCING HEALTH STATUS             | 3   | \$3,620   | \$0       | \$75      | \$3,208   | \$0      | \$60     |
| 494 | LAPROSCOPIC CHOLECYSTECTOMY W/O C.D.E. W/O CC       | 1   | \$0       | \$9,171   | \$2,859   | \$130     | \$390    | \$390    |
|     |   | 825 | \$715,756 | \$134,031 | \$126,662 | \$668,526 | \$16,683 | \$34,555 |

Desert Hills (Tucson, AZ)

| DRG | Institutional Charges |                                 | Professional Charges            |                                 |
|-----|-----------------------|---------------------------------|---------------------------------|---------------------------------|
|     | Cases                 | Govt PayOth Hlth Ins Pnt Paymnt | Govt PayOth Hlth Ins Pnt Paymnt | Govt PayOth Hlth Ins Pnt Paymnt |
| 000 | 27                    | \$121,867                       | \$0                             | \$11,653                        |
|     |                       |                                 | \$395                           | \$0                             |
|     |                       |                                 |                                 | \$15                            |

St. Mary's Hospital (Tucson, AZ)

| DRG | Cases | Institutional Charges           |                                 | Professional Charges            |                                 |
|-----|-------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
|     |       | Govt PayOth Hlth Ins Pnt Paymnt | Govt PayOth Hlth Ins Pnt Paymnt | Govt PayOth Hlth Ins Pnt Paymnt | Govt PayOth Hlth Ins Pnt Paymnt |
| 009 | 1     | \$5,580                         | \$0                             | \$0                             | \$0                             |
| 124 | 1     | \$0                             | \$4,371                         | \$1,346                         | \$7,224                         |
| 125 | 1     | \$0                             | \$4,185                         | \$2,868                         | \$0                             |
| 130 | 1     | \$1,411                         | \$0                             | \$2,261                         | \$0                             |
| 143 | 1     | \$1,280                         | \$0                             | \$323                           | \$0                             |
| 209 | 1     | \$0                             | \$28,404                        | \$8,721                         | \$761                           |
| 216 | 1     | \$6,359                         | \$0                             | \$0                             | \$0                             |
| 218 | 1     | \$4,626                         | \$0                             | \$542                           | \$1,801                         |
| 264 | 1     | \$2,086                         | \$0                             | \$1,618                         | \$254                           |
| 335 | 1     | \$0                             | \$15,159                        | \$4,857                         | \$1,436                         |
| 371 | 1     | \$2,355                         | \$0                             | \$38                            | \$52                            |
| 415 | 1     | \$9,509                         | \$0                             | \$1,897                         | \$377                           |
| 443 | 1     | \$2,571                         | \$0                             | \$25                            | \$0                             |
| 449 | 1     | \$2,282                         | \$0                             | \$496                           | \$119                           |
|     | 14    | \$38,059                        | \$52,120                        | \$24,521                        | \$10,952                        |
|     |       |                                 |                                 | \$12,823                        | \$11,295                        |

University Medical Center (Tucson, AZ)

| DRG |   | Institutional Charges |          |                         | Professional Charges |                         |         |
|-----|---|-----------------------|----------|-------------------------|----------------------|-------------------------|---------|
|     |   | Cases                 | Govt Pay | Oth Hlth Ins Pnt Paymnt | Govt Pay             | Oth Hlth Ins Pnt Paymnt |         |
| 000 |   | 7                     | \$67,294 | \$4,172                 | \$3,149              | \$5,850                 | \$654   |
| 001 | CRANIOTOMY AGE >17 EXCEPT FOR TRAUMA                | 2                     | \$31,593 | \$0                     | \$2,584              | \$3,847                 | \$0     |
| 003 | CRANIOTOMY AGE 0-17                                 | 1                     | \$0      | \$26,516                | \$11,512             | \$0                     | \$0     |
| 005 | EXTRACRANIAL VASCULAR PROCEDURES                    | 1                     | \$0      | \$17,803                | \$7,046              | \$253                   | \$2,118 |
| 009 | SPINAL DISORDERS & INJURIES                         | 2                     | \$15,344 | \$0                     | \$3,846              | \$2,040                 | \$0     |
| 014 | SPECIFIC CEREBROVASCULAR DISORDERS EXCEPT TIA       | 1                     | \$5,513  | \$0                     | \$1,292              | \$567                   | \$0     |
| 015 | TRANSIENT ISCHEMIC ATTACK AND PRECEREBRAL OCCLUSIO  | 1                     | \$1,928  | \$0                     | \$1,506              | \$1,268                 | \$0     |
| 020 | NERVOUS SYSTEM INFECTION EXCEPT VIRAL MENINGITIS    | 1                     | \$6,567  | \$0                     | \$2,045              | \$507                   | \$0     |
| 023 | NONTRAUMATIC STUPOR & COMA                          | 1                     | \$0      | \$11,343                | \$3,931              | \$0                     | \$0     |
| 029 | TRAUMATIC STUPOR & COMA, COMA <1 HR AGE >17 W/O CC  | 1                     | \$3,997  | \$0                     | \$25                 | \$1,406                 | \$0     |
| 030 | TRAUMATIC STUPOR & COMA, COMA <1 HR AGE 0-17        | 1                     | \$1,524  | \$0                     | \$646                | \$1,372                 | \$0     |
| 035 | OTHER DISORDERS OF NERVOUS SYSTEM W/O CC            | 1                     | \$2,801  | \$0                     | \$25                 | \$162                   | \$0     |
| 060 | TONSILLECTOMY AND/OR ADENOIDECTOMY ONLY, AGE 0-17   | 1                     | \$1,790  | \$0                     | \$25                 | \$352                   | \$0     |
| 066 | EPISTAXIS   | 1                     | \$1,466  | \$0                     | \$240                | \$196                   | \$0     |
| 071 | LARYNGOTRACHEITIS                                   | 1                     | \$1,284  | \$0                     | \$25                 | \$120                   | \$0     |
| 074 | OTHER EAR, NOSE, MOUTH & THROAT DIAGNOSES AGE 0-17  | 1                     | \$1,646  | \$0                     | \$28                 | \$783                   | \$0     |
| 075 | MAJOR CHEST PROCEDURES                              | 1                     | \$0      | \$30,908                | \$12,848             | \$444                   | \$3,656 |
| 082 | RESPIRATORY NEOPLASMS                               | 3                     | \$10,635 | \$8,212                 | \$8,779              | \$2,940                 | \$829   |
| 088 | CHRONIC OBSTRUCTIVE PULMONARY DISEASE               | 2                     | \$0      | \$19,651                | \$9,772              | \$0                     | \$29    |
| 091 | SIMPLE PNEUMONIA & PLEURISY AGE 0-17                | 2                     | \$4,074  | \$0                     | \$53                 | \$244                   | \$148   |
| 096 | BRONCHITIS & ASTHMA AGE >17 WITH CC                 | 1                     | \$3,388  | \$0                     | \$646                | \$558                   | \$138   |
| 097 | BRONCHITIS & ASTHMA AGE >17 W/O CC                  | 3                     | \$3,812  | \$0                     | \$3,255              | \$512                   | \$151   |
| 098 | BRONCHITIS & ASTHMA AGE 0-17                        | 10                    | \$20,294 | \$0                     | \$264                | \$1,401                 | \$488   |
| 100 | RESPIRATORY SIGNS & SYMPTOMS W/O CC                 | 1                     | \$2,347  | \$0                     | \$19                 | \$133                   | \$0     |
| 101 | OTHER RESPIRATORY SYSTEM DIAGNOSES WITH CC          | 1                     | \$2,403  | \$0                     | \$10                 | \$242                   | \$60    |
| 124 | CIRCULATORY DISORDERS EXC AMI, WITH CARD CATH & COM | 4                     | \$12,332 | \$6,162                 | \$9,230              | \$1,833                 | \$1,922 |
| 125 | CIRCULATORY DISORDERS EXC AMI, W CARD CATH W/O COMP | 4                     | \$11,632 | \$4,373                 | \$5,113              | \$3,413                 | \$1,871 |
| 129 | CARDIAC ARREST, UNEXPLAINED                         | 1                     | \$6,582  | \$0                     | \$323                | \$1,294                 | \$431   |
| 138 | CARDIAC ARRHYTHMIA & CONDUCTION DISORDERS WITH CC   | 1                     | \$2,482  | \$0                     | \$646                | \$255                   | \$85    |
| 140 | ANGINA PECTORIS                                     | 1                     | \$2,037  | \$0                     | \$323                | \$181                   | \$211   |
| 143 | CHEST PAIN  | 3                     | \$5,933  | \$0                     | \$684                | \$615                   | \$83    |
| 144 | OTHER CIRCULATORY SYSTEM DIAGNOSES WITH CC          | 2                     | \$9,901  | \$0                     | \$114                | \$5,401                 | \$127   |
| 163 | HERNIA PROCEDURES AGE 0-17                          | 1                     | \$2,588  | \$0                     | \$25                 | \$2,018                 | \$26    |
| 174 | G.I. HEMORRHAGE WITH CC                             | 3                     | \$7,596  | \$1,799                 | \$2,870              | \$1,167                 | \$944   |

|     |  |     |           |           |           |          |          |          |
|-----|--|-----|-----------|-----------|-----------|----------|----------|----------|
| 193 | BILIARY TRACT PROC W CC EXCEPT ONLY CHOLECYST W OR     | 1   | \$13,804  | \$0       | \$1,897   | \$1,979  | \$0      | \$660    |
| 205 | DISORDERS OF LIVER EXC MALIG, CIRRH, ALC HEPA WITH CC  | 1   | \$716     | \$5,546   | \$5,546   | \$0      | \$1,673  | \$1,068  |
| 208 | DISORDERS OF THE BILIARY TRACT W/O CC                  | 1   | \$2,459   | \$0       | \$25      | \$1,216  | \$0      | \$0      |
| 210 | HIP & FEMUR PROCEDURES EXCEPT MAJOR JOINT AGE >17 W/   | 1   | \$10,633  | \$0       | \$25      | \$2,324  | \$0      | \$0      |
| 212 | HIP & FEMUR PROCEDURES EXCEPT MAJOR JOINT AGE 0-17     | 1   | \$3,432   | \$0       | \$25      | \$2,327  | \$0      | \$0      |
| 215 | BACK & NECK PROCEDURES W/O CC                          | 1   | \$3,441   | \$0       | \$0       | \$3,961  | \$0      | \$0      |
| 247 | SIGNS & SYMPTOMS OF MUSCULOSKELETAL SYSTEM & CONN      | 1   | \$876     | \$0       | \$1,938   | \$409    | \$0      | \$136    |
| 266 | SKIN GRAFT &/OR DEBRID EXC FOR SKIN ULCER OR CELLULITI | 1   | \$3,070   | \$0       | \$323     | \$0      | \$0      | \$0      |
| 277 | CELLULITIS AGE >17 WITH CC                             | 1   | \$3,927   | \$0       | \$0       | \$0      | \$0      | \$0      |
| 290 | THYROID PROCEDURES                                     | 1   | \$0       | \$8,545   | \$3,378   | \$224    | \$1,392  | \$1,041  |
| 295 | DIABETES AGE 0-35                                      | 1   | \$2,639   | \$0       | \$25      | \$203    | \$0      | \$0      |
| 298 | NUTRITIONAL & MISC METABOLIC DISORDERS AGE 0-17        | 5   | \$6,207   | \$0       | \$668     | \$2,868  | \$0      | \$81     |
| 310 | TRANSURETHRAL PROCEDURES WITH CC                       | 1   | \$0       | \$4,803   | \$4,444   | \$0      | \$629    | \$387    |
| 313 | URETHRAL PROCEDURES, AGE >17 W/O CC                    | 1   | \$2,166   | \$0       | \$0       | \$513    | \$0      | \$171    |
| 335 | MAJOR MALE PELVIC PROCEDURES W/O CC                    | 1   | \$0       | \$14,998  | \$7,339   | \$0      | \$1,566  | \$843    |
| 337 | TRANSURETHRAL PROSTATECTOMY W/O CC                     | 1   | \$2,004   | \$0       | \$969     | \$1,062  | \$0      | \$354    |
| 371 | CESAREAN SECTION W/O CC                                | 1   | \$3,255   | \$0       | \$38      | \$1,994  | \$0      | \$123    |
| 373 | VAGINAL DELIVERY W/O COMPLICATING DIAGNOSES            | 2   | \$3,152   | \$0       | \$54      | \$2,345  | \$0      | \$0      |
| 395 | RED BLOOD CELL DISORDERS AGE >17                       | 1   | \$2,586   | \$0       | \$1,897   | \$282    | \$0      | \$94     |
| 396 | RED BLOOD CELL DISORDERS AGE 0-17                      | 1   | \$2,908   | \$0       | \$29      | \$460    | \$0      | \$0      |
| 399 | RETICULOENDOTHELIAL & IMMUNITY DISORDERS W/O CC        | 1   | \$3,064   | \$0       | \$25      | \$144    | \$0      | \$0      |
| 423 | OTHER INFECTIOUS & PARASITIC DISEASES DIAGNOSES        | 1   | \$2,072   | \$0       | \$323     | \$459    | \$0      | \$153    |
| 449 | POISONING AND TOXIC EFFECTS OF DRUGS AGE >17 WITH CC   | 3   | \$9,502   | \$0       | \$1,156   | \$2,852  | \$0      | \$274    |
| 450 | POISONING AND TOXIC EFFECTS OF DRUGS AGE >17 W/O CC    | 2   | \$3,962   | \$0       | \$22      | \$530    | \$0      | \$0      |
| 452 | COMPLICATIONS OF TREATMENT WITH CC                     | 1   | \$2,827   | \$0       | \$969     | \$587    | \$0      | \$196    |
| 463 | SIGNS & SYMPTOMS WITH CC                               | 1   | \$2,228   | \$0       | \$0       | \$0      | \$0      | \$0      |
| 475 | RESPIRATORY SYSTEM DIAGNOSIS WITH VENTILATOR SUPPO     | 2   | \$40,539  | \$0       | \$542     | \$1,894  | \$0      | \$12     |
| 478 | OTHER VASCULAR PROCEDURES WITH CC                      | 1   | \$0       | \$48,547  | \$11,780  | \$0      | \$0      | \$0      |
|     |  | 105 | \$382,251 | \$213,377 | \$136,335 | \$70,006 | \$18,564 | \$23,029 |

Cottonwood De Tucson (Tucson, AZ)

| DRG | Cases | Institutional Charges |              |            | Professional Charges |              |            |
|-----|-------|-----------------------|--------------|------------|----------------------|--------------|------------|
|     |       | Govt Pay              | Oth Hlth Ins | Pnt Paymnt | Govt Pay             | Oth Hlth Ins | Pnt Paymnt |
| 000 | 4     | \$11,607              | \$0          | \$3,869    | \$80                 | \$0          | \$177      |

Desert Hills Center for Youth (Tucson, AZ)

| DRG | Cases | Institutional Charges |              |            | Professional Charges |              |            |
|-----|-------|-----------------------|--------------|------------|----------------------|--------------|------------|
|     |       | Govt Pay              | Oth Hlth Ins | Pnt Paymnt | Govt Pay             | Oth Hlth Ins | Pnt Paymnt |
| 000 | 7     | \$18,766              | \$0          | \$1,289    | \$224                | \$0          | \$56       |

West Center (Tucson, AZ)

| DRG | Cases | Institutional Charges |              |            | Professional Charges |              |            |
|-----|-------|-----------------------|--------------|------------|----------------------|--------------|------------|
|     |       | Govt Pay              | Oth Hlth Ins | Pnt Paymnt | Govt Pay             | Oth Hlth Ins | Pnt Paymnt |
| 000 | 4     | \$13,829              | \$0          | \$259      | \$1,983              | \$0          | \$184      |

Charter of Tucson (Tucson, AZ)

| DRG | Cases | Institutional Charges |              |            | Professional Charges |              |            |
|-----|-------|-----------------------|--------------|------------|----------------------|--------------|------------|
|     |       | Govt Pay              | Oth Hlth Ins | Pnt Paymnt | Govt Pay             | Oth Hlth Ins | Pnt Paymnt |
| 000 | 46    | \$240,182             | \$28,854     | \$44,670   | \$29,942             | \$3,424      | \$5,206    |

## **APPENDIX 2**

### **Partnership Agreements**



*Raymond W. Bliss Army Community Hospital*

# Partnership Agreements - 1995

| Specialty           | Provider(s) | FTE Provided     | Admissions<br>(w/ same day surgery) | Outpatient<br>Visits |
|---------------------|-------------|------------------|-------------------------------------|----------------------|
| Allergy             | 1           | 0.1              | 0                                   | 376                  |
| ENT                 | 1           | 0.14             | 20                                  | 438                  |
| General Surgery     | 2           | 0.2              | 60                                  | 1,200                |
| Mental Health       | 6           | 5.5              | 0                                   | 5,656                |
| Physician           | 1           | 1.0              | 0                                   | 1,800                |
| Psychologist, PhD   | 1           | 1.0              | 0                                   | 1,440                |
| Social Worker       | 4           | 4.0              | 0                                   | 3,096                |
| Pediatrics          | 3           | 0.4              | 0                                   | 6,220                |
| Physician           | 2           |                  |                                     |                      |
| Nurse Practitioner  | 1           |                  |                                     |                      |
| Primary Care        | 2           | 1.2              | 0                                   | 5,200                |
| OB/GYN              | 1           | 0.25             | 108                                 | 272                  |
| Orthopedics         | 3           | 0.5              | 166                                 | 2,154                |
| Urology             | 1           | 0.15             | 10                                  | 640                  |
| <b>20 Providers</b> |             | <b>14.4 FTEs</b> |                                     |                      |



### **APPENDIX 3**

#### **Inpatient Workload by DRG FY1995**

Inpatient Workload by DRG FY95  
Raymond W. Bliss Army Community Hospital

| DRG | DESCRIPTION  | Cases | CHAMPUS Cost |
|-----|--|-------|--------------|
| 006 | CARPAL TUNNEL RELEASE                                  | 20    | \$35,781     |
| 008 | PERIPH & CRANIAL NERVE & OTH NERV SYST PROC WITHOUT CC | 6     | \$15,942     |
| 009 | SPINAL DISORDERS & INJURIES                            | 2     | \$5,291      |
| 014 | SPECIFIC CEREBROVASCULAR DISORDERS EXCEPT TIA          | 7     | \$27,924     |
| 015 | TRANSIENT ISCHEMIC ATTACK AND PRECEREBRAL OCCLUSIONS   | 1     | \$2,288      |
| 019 | CRANIAL & PERIPHERAL NERVE DISORDERS W/O CC            | 1     | \$1,936      |
| 021 | VIRAL MENINGITIS                                       | 1     | \$1,982      |
| 023 | NONTRAUMATIC STUPOR & COMA                             | 1     | \$2,619      |
| 024 | SEIZURE & HEADACHE AGE >17 WITH CC                     | 2     | \$5,539      |
| 025 | SEIZURE & HEADACHE AGE >17 W/O CC                      | 4     | \$6,756      |
| 027 | TRAUMATIC STUPOR & COMA, COMA >1 HR                    | 2     | \$10,765     |
| 028 | TRAUMATIC STUPOR & COMA, COMA <1 HR AGE >17 WITH CC    | 1     | \$3,935      |
| 032 | CONCUSSION AGE >17 W/O CC                              | 1     | \$1,701      |
| 035 | OTHER DISORDERS OF NERVOUS SYSTEM W/O CC               | 1     | \$1,883      |
| 044 | ACUTE MAJOR EYE INFECTIONS                             | 1     | \$1,372      |
| 065 | DYSEQUILIBRIUM   | 2     | \$2,665      |
| 069 | OTITIS MEDIA & URI AGE >17 W/O CC                      | 5     | \$6,699      |
| 071 | LARYNGOTRACHEITIS                                      | 1     | \$872        |
| 073 | OTHER EAR, NOSE, MOUTH & THROAT DIAGNOSES AGE >17      | 1     | \$1,987      |
| 078 | PULMONARY EMBOLISM                                     | 1     | \$4,562      |
| 079 | RESPIRATORY INFECTIONS & INFLAMMATIONS AGE >17 WITH CC | 1     | \$5,998      |
| 080 | RESPIRATORY INFECTIONS & INFLAMMATIONS AGE >17 W/O CC  | 2     | \$7,665      |
| 082 | RESPIRATORY NEOPLASMS                                  | 3     | \$12,671     |
| 084 | MAJOR CHEST TRAUMA W/O CC                              | 1     | \$1,802      |
| 087 | PULMONARY EDEMA & RESPIRATORY FAILURE                  | 2     | \$10,008     |
| 088 | CHRONIC OBSTRUCTIVE PULMONARY DISEASE                  | 7     | \$22,785     |
| 089 | SIMPLE PNEUMONIA & PLEURISY AGE >17 WITH CC            | 7     | \$24,958     |
| 090 | SIMPLE PNEUMONIA & PLEURISY AGE >17 W/O CC             | 10    | \$21,845     |
| 091 | SIMPLE PNEUMONIA & PLEURISY AGE 0-17                   | 5     | \$8,787      |
| 092 | INTERSTITIAL LUNG DISEASE WITH CC                      | 2     | \$6,795      |
| 096 | BRONCHITIS & ASTHMA AGE >17 WITH CC                    | 1     | \$2,687      |
| 097 | BRONCHITIS & ASTHMA AGE >17 W/O CC                     | 6     | \$10,679     |
| 098 | BRONCHITIS & ASTHMA AGE 0-17                           | 4     | \$5,991      |
| 100 | RESPIRATORY SIGNS & SYMPTOMS W/O CC                    | 1     | \$1,576      |
| 101 | OTHER RESPIRATORY SYSTEM DIAGNOSES WITH CC             | 2     | \$5,625      |
| 102 | OTHER RESPIRATORY SYSTEM DIAGNOSES W/O CC              | 4     | \$5,745      |
| 121 | CIRCULATORY DISORDERS WITH AMI & C.V. COMP DISCH ALIVE | 3     | \$16,869     |
| 127 | HEART FAILURE & SHOCK                                  | 8     | \$26,814     |
| 130 | PERIPHERAL VASCULAR DISORDERS WITH CC                  | 2     | \$6,733      |
| 131 | PERIPHERAL VASCULAR DISORDERS W/O CC                   | 3     | \$6,171      |
| 132 | ATHEROSCLEROSIS WITH CC                                | 2     | \$4,618      |
| 133 | ATHEROSCLEROSIS W/O CC                                 | 1     | \$2,565      |
| 134 | HYPERTENSION   | 2     | \$3,364      |
| 138 | CARDIAC ARRHYTHMIA & CONDUCTION DISORDERS WITH CC      | 3     | \$6,251      |
| 139 | CARDIAC ARRHYTHMIA & CONDUCTION DISORDERS W/O CC       | 5     | \$6,696      |
| 140 | ANGINA PECTORIS  | 1     | \$1,572      |
| 141 | SYNCOPE & COLLAPSE WITH CC                             | 1     | \$1,843      |
| 142 | SYNCOPE & COLLAPSE AGE W/O CC                          | 2     | \$3,047      |
| 143 | CHEST PAIN   | 2     | \$2,939      |
| 144 | OTHER CIRCULATORY SYSTEM DIAGNOSES WITH CC             | 1     | \$3,336      |
| 148 | MAJOR SMALL & LARGE BOWEL PROCEDURES WITH CC           | 4     | \$36,612     |
| 149 | MAJOR SMALL & LARGE BOWEL PROCEDURES W/O CC            | 2     | \$9,905      |

|     |  |    |          |
|-----|--|----|----------|
| 151 | PERITONEAL ADHESIOLYSIS W/O CC                                 | 1  | \$3,676  |
| 154 | STOMACH, ESOPHAGEAL & DUODENAL PROCEDURES AGE >17 WITH CC      | 1  | \$9,700  |
| 155 | STOMACH, ESOPHAGEAL & DUODENAL PROCEDURES AGE >17 W/O CC       | 1  | \$3,953  |
| 158 | ANAL AND STOMAL PROCEDURES W/O CC                              | 4  | \$6,266  |
| 160 | HERNIA PROCEDURES EXCEPT INGUINAL & FEMORAL AGE >17 W/O CC     | 2  | \$4,799  |
| 161 | INGUINAL & FEMORAL HERNIA PROCEDURES AGE >17 WITH CC           | 1  | \$2,576  |
| 164 | APPENDECTOMY W COMPLICATED PRINCIPAL DIAG WITH CC              | 1  | \$5,646  |
| 165 | APPENDECTOMY W COMPLICATED PRINCIPAL DIAG W/O CC               | 4  | \$13,404 |
| 166 | APPENDECTOMY W/O COMPLICATED PRINCIPAL DIAG WITH CC            | 8  | \$24,428 |
| 167 | APPENDECTOMY W/O COMPLICATED PRINCIPAL DIAG W/O CC             | 8  | \$16,318 |
| 171 | OTHER DIGESTIVE SYSTEM O.R. PROCEDURES W/O CC                  | 1  | \$2,818  |
| 172 | DIGESTIVE MALIGNANCY WITH CC                                   | 5  | \$22,088 |
| 174 | G.I. HEMORRHAGE WITH CC  | 4  | \$10,846 |
| 175 | G.I. HEMORRHAGE W/O CC   | 3  | \$4,949  |
| 178 | UNCOMPLICATED PEPTIC ULCER W/O CC                              | 1  | \$1,658  |
| 179 | INFLAMMATORY BOWEL DISEASE                                     | 3  | \$9,066  |
| 180 | G.I. OBSTRUCTION WITH CC                                       | 3  | \$7,712  |
| 181 | G.I. OBSTRUCTION W/O CC  | 3  | \$4,192  |
| 182 | ESOPHAGITIS, GASTROENT & MISC DIGEST DISORD AGE >17 WITH CC    | 6  | \$11,918 |
| 183 | ESOPHAGITIS, GASTROENT & MISC DIGEST DISORD AGE >17 W/O CC     | 20 | \$31,802 |
| 184 | ESOPHAGITIS, GASTROENT & MISC DIGEST DISORDERS AGE 0-17        | 8  | \$7,464  |
| 185 | DENTAL & ORAL DIS EXCEPT EXTRACTIONS & RESTORATIONS, AGE >17   | 1  | \$2,397  |
| 186 | DENTAL & ORAL DIS EXCEPT EXTRACTIONS & RESTORATIONS, AGE 0-17  | 1  | \$1,286  |
| 188 | OTHER DIGESTIVE SYSTEM DIAGNOSES AGE >17 WITH CC               | 1  | \$3,338  |
| 189 | OTHER DIGESTIVE SYSTEM DIAGNOSES AGE >17 W/O CC                | 3  | \$5,036  |
| 196 | CHOLECYSTECTOMY WITH C.D.E. W/O CC                             | 1  | \$4,614  |
| 197 | CHOLECYSTECTOMY W/O C.D.E. WITH CC                             | 1  | \$5,594  |
| 202 | CIRRHOSIS & ALCOHOLIC HEPATITIS                                | 1  | \$5,707  |
| 203 | MALIGNANCY OF HEPATOBILIARY SYSTEM OR PANCREAS                 | 1  | \$3,567  |
| 204 | DISORDERS OF PANCREAS EXCEPT MALIGNANCY                        | 1  | \$3,627  |
| 205 | DISORDERS OF LIVER EXC MALIG, CIRRH, ALC HEPA WITH CC          | 2  | \$8,343  |
| 208 | DISORDERS OF THE BILIARY TRACT W/O CC                          | 1  | \$1,655  |
| 219 | LOWER EXTREM & HUMER PROC EX HIP, FOOT, FEMUR AGE >17 W/O CC   | 3  | \$9,028  |
| 222 | KNEE PROCEDURES W/O CC   | 11 | \$34,355 |
| 223 | MAJOR SHOULDER/ELBOW PROC, OR OTH UPPER EXTREMITY PROC W CC    | 3  | \$7,414  |
| 224 | SHOULDER, ELBOW OR FOREARM PROC, EXC MAJOR JOINT PROC, W/O CC  | 3  | \$6,855  |
| 225 | FOOT PROCEDURES  | 2  | \$4,959  |
| 227 | SOFT TISSUE PROCEDURES W/O CC                                  | 2  | \$4,564  |
| 231 | LOCAL EXCISION & REMOVAL OF INT FIX DEVICES EXC HIP & FEMUR    | 3  | \$9,271  |
| 234 | OTHER MUSCULOSKELETAL SYS & CONN TISS O.R. PROC W/O CC         | 3  | \$10,784 |
| 236 | FRACTURES OF HIP & PELVIS                                      | 1  | \$2,937  |
| 243 | MEDICAL BACK PROBLEMS  | 17 | \$31,192 |
| 244 | BONE DISEASES & SEPTIC ARTHROPATHIES WITH CC                   | 1  | \$4,417  |
| 245 | BONE DISEASES & SEPTIC ARTHROPATHIES W/O CC                    | 4  | \$11,826 |
| 246 | NON-SPECIFIC ARTHROPATHIES                                     | 1  | \$1,665  |
| 247 | SIGNS & SYMPTOMS OF MUSCULOSKELETAL SYSTEM & CONN TISSUE       | 7  | \$13,120 |
| 251 | FX, SPRN, STRN & DISL OF FOREARM, HAND, FOOT AGE >17 W/O CC    | 3  | \$4,980  |
| 253 | FX, SPRN, STRN & DISL OF UPARM, LOWLEG EX FOOT AGE >17 WITH CC | 1  | \$2,097  |
| 254 | FX, SPRN, STRN & DISL OF UPARM, LOWLEG EX FOOT AGE >17 W/O CC  | 7  | \$10,661 |
| 257 | TOTAL MASTECTOMY FOR MALIGNANCY WITH CC                        | 1  | \$2,981  |
| 258 | TOTAL MASTECTOMY FOR MALIGNANCY W/O CC                         | 1  | \$2,464  |
| 259 | SUBTOTAL MASTECTOMY FOR MALIGNANCY WITH CC                     | 1  | \$2,069  |
| 267 | PERIANAL & PILONICAL PROCEDURES                                | 3  | \$4,281  |
| 269 | OTHER SKIN, SUBCUT TISS & BREAST PROCEDURE WITH CC             | 1  | \$5,417  |
| 270 | OTHER SKIN, SUBCUT TISS & BREAST PROCEDURE W/O CC              | 1  | \$2,001  |
| 272 | MAJOR SKIN DISORDERS WITH CC                                   | 1  | \$3,897  |
| 274 | MALIGNANT BREAST DISORDERS WITH CC                             | 1  | \$3,469  |

|     |  |    |           |
|-----|--|----|-----------|
| 276 | NON-MALIGNANT BREAST DISORDERS                                 | 2  | \$3,459   |
| 277 | CELLULITIS AGE >17 WITH CC                                     | 2  | \$4,960   |
| 278 | CELLULITIS AGE >17 W/O CC                                      | 8  | \$13,367  |
| 279 | CELLULITIS AGE 0-17  | 1  | \$1,307   |
| 280 | TRAUMA TO THE SKIN, SUBCUT TISS & BREAST AGE >17 WITH CC       | 1  | \$2,185   |
| 281 | TRAUMA TO THE SKIN, SUBCUT TISS & BREAST AGE >17 W/O CC        | 4  | \$7,856   |
| 283 | MINOR SKIN DISORDERS WITH CC                                   | 1  | \$4,268   |
| 284 | MINOR SKIN DISORDERS W/O CC                                    | 4  | \$4,226   |
| 286 | ADRENAL & PITUITARY PROCEDURES                                 | 1  | \$5,585   |
| 288 | O.R. PROCEDURES FOR OBESITY                                    | 1  | \$4,612   |
| 290 | THYROID PROCEDURES   | 4  | \$9,001   |
| 291 | THYROGLOSSAL PROCEDURES  | 1  | \$1,440   |
| 294 | DIABETES AGE >35   | 4  | \$8,623   |
| 296 | NUTRITIONAL & MISC METABOLIC DISORDERS AGE >17 WITH CC         | 1  | \$2,857   |
| 297 | NUTRITIONAL & MISC METABOLIC DISORDERS AGE >17 W/O CC          | 1  | \$1,570   |
| 299 | INBORN ERRORS OF METABOLISM                                    | 1  | \$3,347   |
| 300 | ENDOCRINE DISORDERS WITH CC                                    | 2  | \$6,774   |
| 316 | RENAL FAILURE  | 2  | \$9,031   |
| 320 | KIDNEY & URINARY TRACT INFECTIONS AGE >17 WITH CC              | 3  | \$7,142   |
| 321 | KIDNEY & URINARY TRACT INFECTIONS AGE >17 W/O CC               | 2  | \$3,126   |
| 322 | KIDNEY & URINARY TRACT INFECTIONS AGE 0-17                     | 1  | \$1,378   |
| 324 | URINARY STONES W/O CC  | 4  | \$4,244   |
| 327 | KIDNEY & URINARY TRACT SIGNS & SYMPTOMS AGE 0-17               | 1  | \$933     |
| 332 | OTHER KIDNEY & URINARY TRACT DIAGNOSES AGE >17 W/O CC          | 1  | \$1,758   |
| 338 | TESTES PROCEDURES, FOR MALIGNANCY                              | 1  | \$2,526   |
| 347 | MALIGNANCY, MALE REPRODUCTIVE SYSTEM, W/O CC                   | 1  | \$1,603   |
| 352 | OTHER MALE REPRODUCTIVE SYSTEM DIAGNOSES                       | 1  | \$2,088   |
| 354 | UTERINE,ADNEXA PROC FOR NON-OVAR/ADNEX MALIG WITH CC           | 1  | \$3,949   |
| 356 | FEMALE REPRODUCTIVE SYSTEM RECONSTRUCTIVE PROCEDURES           | 2  | \$4,845   |
| 358 | UTERINE & ADNEXA PROC FOR NON-MALIGNANCY WITH CC               | 3  | \$9,897   |
| 359 | UTERINE & ADNEXA PROC FOR NON-MALIGNANCY W/O CC                | 23 | \$505,638 |
| 360 | VAGINA, CERVIX & VULVA PROCEDURES                              | 1  | \$2,358   |
| 361 | LAPAROSCOPY & INCISIONAL TUBAL INTERRUPTION                    | 1  | \$2,381   |
| 369 | MENSTRUAL & OTHER FEMALE REPRODUCTIVE SYSTEM DISORDERS         | 1  | \$1,240   |
| 378 | ECTOPIC PREGNANCY  | 2  | \$4,929   |
| 379 | THREATENED ABORTION  | 1  | \$1,338   |
| 380 | ABORTION W/O D&C   | 4  | \$4,535   |
| 391 | NORMAL NEWBORN   | 10 | \$3,090   |
| 392 | SPLENECTOMY AGE >17  | 1  | \$6,684   |
| 395 | RED BLOOD CELL DISORDERS AGE >17                               | 10 | \$29,338  |
| 397 | COAGULATION DISORDERS  | 3  | \$7,808   |
| 398 | RETICULOENDOTHELIAL & IMMUNITY DISORDERS WITH CC               | 1  | \$3,882   |
| 399 | RETICULOENDOTHELIAL & IMMUNITY DISORDERS W/O CC                | 1  | \$2,057   |
| 404 | LYMPHOMA & NON-ACUTE LEUKEMIA W/O CC                           | 1  | \$763     |
| 415 | O.R. PROCEDURE FOR INFECTIOUS & PARASITIC DISEASES             | 1  | \$9,650   |
| 418 | POSTOPERATIVE & POST-TRAUMATIC INFECTIONS                      | 2  | \$5,891   |
| 421 | VIRAL ILLNESS AGE >17  | 10 | \$16,474  |
| 422 | VIRAL ILLNESS & FEVER OF UNKNOWN ORIGIN AGE 0-17               | 2  | \$2,407   |
| 423 | OTHER INFECTIOUS & PARASITIC DISEASES DIAGNOSES                | 3  | \$11,489  |
| 425 | ACUTE ADJUST REACT & DISTURBANCE OF PSYCHOSOCIAL DYSFUNCTION   | 7  | \$12,851  |
| 426 | DEPRESSIVE NEUROSES  | 1  | \$2,010   |
| 427 | NEUROSES EXCEPT DEPRESSIVE                                     | 3  | \$6,611   |
| 428 | DISORDERS OF PERSONALITY & IMPULSE CONTROL                     | 1  | \$3,454   |
| 429 | ORGANIC DISTURBANCES & MENTAL RETARDATION                      | 2  | \$5,993   |
| 430 | PSYCHOSES  | 10 | \$30,642  |
| 434 | ALC/DRUG ABUSE OR DEPENDENCE, DETOX OR OTHER SYMPT TRT WITH CC | 2  | \$5,087   |
| 440 | WOUND DEBRIDEMENTS FOR INJURIES                                | 1  | \$4,381   |

|     |  |    |          |
|-----|--|----|----------|
| 442 | OTHER O.R. PROCEDURES FOR INJURIES WITH CC                   | 3  | \$23,224 |
| 443 | OTHER O.R. PROCEDURES FOR INJURIES W/O CC                    | 1  | \$2,737  |
| 444 | TRAUMATIC INJURY AGE >17 WITH CC                             | 3  | \$7,592  |
| 445 | TRAUMATIC INJURY AGE >17 W/O CC                              | 4  | \$12,839 |
| 447 | ALLERGIC REACTIONS AGE >17                                   | 1  | \$1,404  |
| 449 | POISONING AND TOXIC EFFECTS OF DRUGS AGE >17 WITH CC         | 4  | \$8,881  |
| 451 | POISONING AND TOXIC EFFECTS OF DRUGS AGE 0-17                | 2  | \$2,339  |
| 455 | OTHER INJURY, POISONING & TOXIC EFF DIAG W/O CC              | 1  | \$809    |
| 461 | O.R. PROC W DIAGNOSES OF OTHER CONTACT WITH HEALTH SERVICES  | 1  | \$4,235  |
| 464 | SIGNS & SYMPTOMS W/O CC                                      | 1  | \$1,715  |
| 465 | AFTERCARE WITH HISTORY OF MALIGNANCY AS SECONDARY DIAGNOSIS  | 1  | \$1,260  |
| 467 | OTHER FACTORS INFLUENCING HEALTH STATUS                      | 1  | \$1,057  |
| 468 | EXTENSIVE O.R. PROCEDURE UNRELATED TO PRINCIPAL DIAGNOSIS    | 3  | \$20,553 |
| 486 | OTHER O.R. PROCEDURES FOR MULTIPLE SIGNIFICANT TRAUMA        | 1  | \$13,610 |
| 489 | HIV WITH MAJOR RELATED CONDITION                             | 1  | \$6,055  |
| 493 | LAPROSCOPIC CHOLECYSTECTOMY W/O C.D.E. WITH CC               | 1  | \$4,588  |
| 494 | LAPROSCOPIC CHOLECYSTECTOMY W/O C.D.E. W/O CC                | 6  | \$17,472 |
| 627 | NEONATE, BIRTHWT >2499G, W/O SIGNIF OR PROC, W MAJOR PROBLEM | 1  | \$2,677  |
| 628 | NEONATE, BIRTHWT >2499G, W/O SIGNIF OR PROC, W MINOR PROBLEM | 2  | \$3,382  |
| 630 | NEONAT, BIRTHWT >2499G, W/O SIGNIF OR PROC, W OTHER PROBLEM  | 1  | \$506    |
| 900 | ALC/DRUG ABU/DEPND, DETOX/OTH SYM TREAT AGE <= 21 W/O CC     | 6  | \$7,307  |
| 901 | ALC/DRUG ABU/DEPND, DETOX/OTH SYM TREAT AGE >21 W/O CC       | 33 | \$44,324 |

Total

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590 \$1,904,103

## **APPENDIX 4**

### **MEDCOM Manpower Assessment Model Results**

| <u>PARA</u> | <u>LN</u> | <u>POS</u> | <u>POSITION</u> | <u>GR</u> | <u>POSCO</u> | <u>REQ</u> | <u>AUTH</u> | <u>CIV PAY</u> | <u>MIL PAY</u> | <u>NOTES</u> |
|-------------|-----------|------------|-----------------|-----------|--------------|------------|-------------|----------------|----------------|--------------|
| 102M        | 00        | 00         | IR&ACO          |           |              |            |             |                |                |              |
| 102M        | 01        | 01         | AUDITOR         | 12        | 00511        | 1          | 1           | \$64,553       |                | Deleted 0197 |
| 450         | 00        | 00         | DEPT NSG        |           |              |            |             |                |                |              |
| 451         | 02        | 01         | C NUR ADM       | 05        | 66A          | 1          | 1           |                | \$54,285       |              |
| 453         | 00        | 00         | CENT MAT SVC    |           |              |            |             |                |                |              |
| 453         | 02        | 01         | CMS SP          | E4        | 91D10        | 1          | 1           |                | \$32,130       |              |
| 453         | 03        | 01         | CMS SP          | E3        | 91D10        | 1          | 1           |                | \$32,130       |              |
| 453         | 03        | 02         | CMS SP          | E3        | 91D10        | 1          | 1           |                | \$32,130       |              |
| 453         | 04        | 02         | MED SUP TECH    | 04        | 00622        | 1          | 1           | \$26,258       |                |              |
| 466         | 00        | 00         | MED NSG SVC     |           |              |            |             |                |                |              |
| 466Q        | 01        | 01         | CLIN HD NUR     | 04        | 66H00        | 1          | 1           |                | \$54,285       | Vacant       |
| 466Q        | 02        | 01         | PED NUR         | 03        | 66D00        | 1          | 1           |                | \$54,285       | Vacant       |
| 466Q        | 03        | 01         | MED SURG NUR    | 03        | 66H00        | 1          | 1           |                | \$54,285       |              |
| 466Q        | 03        | 02         | MED SURG NUR    | 03        | 66H00        | 1          | 1           |                | \$54,285       |              |
| 466Q        | 04        | 01         | CLIN NUR        | 02        | 66J00        | 1          | 1           |                | \$54,285       |              |
| 466Q        | 06        | 01         | WDMSTR          | E7        | 91C40        | 1          | 1           |                | \$32,130       |              |
| 466Q        | 07        | 01         | PRAC NUR        | E6        | 91C30        | 1          | 1           |                | \$32,130       |              |
| 466Q        | 08        | 01         | PRAC NUR        | E5        | 91C20        | 1          | 1           |                | \$32,130       | Vacant       |
| 466Q        | 08        | 02         | PRAC NUR        | E5        | 91C20        | 1          | 1           |                | \$32,130       | Vacant       |

|                       |    |       |   |   |          |        |
|-----------------------|----|-------|---|---|----------|--------|
| 466Q 08 03 PRAC NUR   | E5 | 91C20 | 1 | 1 | \$32,130 |        |
| 466Q 10 01 MED SP     | E4 | 91B10 | 1 | 1 | \$20,400 | Vacant |
| 466Q 12 01 CLIN NUR   | 10 | 00610 | 1 | 1 | \$47,581 |        |
| 466Q 12 02 CLIN NUR   | 10 | 00610 | 1 | 1 | \$47,581 |        |
| 466Q 13 01 PRAC NUR   | 05 | 00620 | 1 | 1 | \$29,378 |        |
| 466Q 13 02 PRAC NUR   | 05 | 00620 | 1 | 1 | \$29,378 | Vacant |
| 466Q 14 01 MED CLK    | 04 | 00679 | 1 | 1 | \$26,258 |        |
| 469 00 00 OR NSG SVC  |    |       |   |   |          |        |
| 469 02 02 OR NUR      | 03 | 66E   | 1 | 1 | \$54,285 |        |
| 469 07 01 OR SP       | E3 | 91D10 | 1 | 1 | \$32,130 |        |
| 469 07 02 OR SP       | E3 | 91D10 | 1 | 1 | \$32,130 |        |
| 469 07 03 OR SP       | E3 | 91D10 | 1 | 1 | \$32,130 |        |
| 469 07 04 OR SP       | E3 | 91D10 | 1 | 1 | \$32,130 |        |
| 600 00 00 DEPT RADIOL |    |       |   |   |          |        |
| 601 10 01 SECY (OA)   | 05 | 00318 | 1 | 1 | \$29,378 |        |
| 620 00 00 DEPT PATH   |    |       |   |   |          |        |
| 621 02A 01 PATH       | 03 | 61U   | 1 | 1 | \$91,433 | Vacant |
| 621 06 01 MED SUP SP  | E5 | 76J20 | 1 | 1 | \$20,400 |        |
| 621 06 04 MED LAB SP  | E3 | 92B10 | 1 | 1 | \$32,130 |        |



640 00 00 PHARM SVC

641 09 06 PHARMACIST 11 00660 1 1 \$53,863

705D 00 00 MAT MGT SEC

705D 04 01 PURCH AGENT04 11055 1 1 \$26,258 Vacant

705E 00 00 STORAGE SEC

705E 02 01 MED SUP SP E4 76J10 1 1 \$20,400

708B 00 00 HSKPG

708B 03 03 CUST WORK 03 03556 1 1 \$28,672

720 00 00 PAT ADMIN DIV

721 01 01 C PAT ADM 04 70E67 1 1 \$54,285

722 00 00 MED REC BR

722 01 01 PAT ADM NCOE6 71G30 1 1 \$20,400

722 03 01 MED REC 09 00669 1 1 \$44,514 Deleted 0296  
ADMIN SP

722 06 01 MED REC TECH05 00675 1 1 \$29,378 Vacant

723 00 00 OP MED REC

723 03 01 SUPV MED CLK08 00679 1 1 \$40,305

723 05 04 MED CLK 04 00679 1 1 \$26,258

723 05 05 MED CLK 04 00679 1 1 \$26,258

724A 00 00 ADMIT&DISPOS

724A 01 01 PNT ADM NCOE6 71G30 1 1 \$20,400

724A 03 02 PNT ADM SP E4 71G10 1 1 \$20,400

724A 04 01 PNT ADM SP E3 71G10 1 1 \$20,400

724A 06A 01 MED CLK 04 00679 1 1 \$26,258

724B 00 00 CLAIMS SEC

724B 01 03 CLAIMS CLK (OA)05 00998 1 1 \$29,378 Deleted 0296

724B 01 04 CLAIMS CLK (OA)O5 00998 1 1 \$29,378 Deleted 0296

724B 02 01 ACCTG TECH 05 00525 1 1 \$29,378

731A 00 00 HOSP CO

731A 01 01 MED CO CDR 02 70B67 1 1 \$54,285

731A 04 01 SUP SP E4 92Y10 1 1 \$20,400 Vacant

731L 00 00 PAC

731L 05 01 PER LAI CLK(OA)05 00303 1 1 \$29,378

740 00 00 NUTR CARE DIV

741 01 01 C NUTR CARE 03 65C 1 1 \$54,285

741 02 01 HOSP FS NCO E6 91M30 1 1 \$20,400

741 03 01 FS CLK (OA) 05 00303 1 1 \$29,378

742 00 00 CLN DIET

742A 01 01 DIET AIDE 04 00640 1 1 \$26,258

743 00 00 PROD&SVC

743 01 01 HOSP FS SGT E5 91M20 1 1 \$20,400

743A 00 00 FOOD PREP

743A 01 01 COOK SUPV 08 07404 1 1 \$49,618

743A 02 01 HOSP FS SP E4 91M10 1 1 \$20,400

743A 02 02 HOSP FS SP E4 91M10 1 1 \$20,400

743A 03 01 HOSP FS SP E3 91M10 1 1 \$20,400

743A 04 01 COOK 08 07404 1 1 \$40,232

743A 04 02 COOK 08 07404 1 1 \$40,232

743A 04 03 COOK 08 07404 1 1 \$40,232 Deleted 1095

743A 04 04 FS WORKER 04 07408 1 1 \$31,104 Deleted 1095

743A 05 01 BAKER 05 07402 1 1 \$33,508

743E 00 00 PNT TRAY

743E 01 01 FS WRK LDR 04 07408 1 1 \$32,935 Deleted 0296

743E 03 01 COOK 04 07404 1 1 \$31,104

743E 04 01 FS WORKER 04 07408 1 1 \$31,104 Delete 0197

743E 04 02 FS WORKER 04 07408 1 1 \$31,104

743E 04 03 FS WORKER 04 07408 1 1 \$31,104

743G 00 00 SPT SVC

743G 01 01 FS WORKER 02 07408 1 1 \$26,268

743G 01 02 FS WORKER 02 07408 1 1 \$26,268

743G 01 03 FS WORKER 02 07408 1 1 \$26,268 Deleted 1095

761 05 01 CLIN NURS 10 00610 1 1 \$47,581 Vacant

Positions not indicated by the MEDCOM model to be cut, but added for the purposes of this study:

466Q 03 03 MED SURG NUR03 66H00 1 1 \$54,285

466Q 04 02 CLIN NUR 02 66J00 1 1 \$54,285

708B 04 04 CUST WORK 02 03566 1 1 \$26,268

743 88 01 HOSP FD SGTE5 91M20 1 1 \$32,130 Excess

743E 02 01 COOK SUPV 08 07408 1 1 \$49,618 Vacant

|        |                    |             |  |
|--------|--------------------|-------------|--|
| Totals | (26 slots) Civ Pay | \$987,674   |  |
|        | (33 slots) Mil Pay | \$1,141,080 |  |
|        | Combined Total     | \$2,128,754 |  |

Notes: Positions identified as being deleted, vacant or excess are not included in the total pay calculations. These positions were on the initial MEDCOM model results, but dropped out during the process of this study.

## **APPENDIX 5**

### **MEPRS Inpatient Costing Worksheets**

FISCAL YEAR: 11  
 FISCAL YEAR: 11  
 FISCAL YEAR: 11  
 FISCAL YEAR: 11

DOE: 00000000

DEPT: 00000000  
 DIV: 00000000

| ACCT | DEPT                   | CD | DESCRIPTION | QTY    | UNIT PRICE | TOTAL | QTY    | UNIT PRICE | TOTAL | QTY    | UNIT PRICE | TOTAL |
|------|------------------------|----|-------------|--------|------------|-------|--------|------------|-------|--------|------------|-------|
| ADAF | INTERNAL MED           | 01 |             | 11274  |            |       | 11274  |            |       | 11274  |            |       |
| ADA  | SUBTOTAL               |    |             | 11274  |            |       | 11274  |            |       | 11274  |            |       |
| ADAF | GENERAL SUR            | 01 |             | 47340  |            |       | 47340  |            |       | 47340  |            |       |
| ADA  | SUBTOTAL               |    |             | 47340  |            |       | 47340  |            |       | 47340  |            |       |
| ADAF | OBST & GYN             | 01 |             | 40118  |            |       | 40118  |            |       | 40118  |            |       |
| ADA  | SUBTOTAL               |    |             | 40118  |            |       | 40118  |            |       | 40118  |            |       |
| ADAF | ORTHOPEDIC SURG        | 01 |             | 45008  |            |       | 45008  |            |       | 45008  |            |       |
| ADA  | SUBTOTAL               |    |             | 45008  |            |       | 45008  |            |       | 45008  |            |       |
| ADAF | UROLOGY                | 01 |             | 18674  |            |       | 18674  |            |       | 18674  |            |       |
| ADA  | SUBTOTAL               |    |             | 18674  |            |       | 18674  |            |       | 18674  |            |       |
| ADAF | GYN                    | 01 |             | 0      |            |       | 0      |            |       | 0      |            |       |
| ADA  | SUBTOTAL               |    |             | 0      |            |       | 0      |            |       | 0      |            |       |
| ADAF | GYN                    | 01 |             | 532285 |            |       | 532285 |            |       | 532285 |            |       |
| ADA  | SUBTOTAL               |    |             | 532285 |            |       | 532285 |            |       | 532285 |            |       |
| ADAF | OBSTETRICS             | 01 |             | 0      |            |       | 0      |            |       | 0      |            |       |
| ADA  | SUBTOTAL               |    |             | 0      |            |       | 0      |            |       | 0      |            |       |
| ADAF | PARTNERSHIP OBSTETRICS | 01 |             | 0      |            |       | 0      |            |       | 0      |            |       |
| ADA  | SUBTOTAL               |    |             | 0      |            |       | 0      |            |       | 0      |            |       |
| ADAF | PEDIATRICS             | 01 |             | 67482  |            |       | 67482  |            |       | 67482  |            |       |
| ADA  | SUBTOTAL               |    |             | 67482  |            |       | 67482  |            |       | 67482  |            |       |
| ADAF | ORTHOPEDICS            | 01 |             | 329542 |            |       | 329542 |            |       | 329542 |            |       |
| ADA  | SUBTOTAL               |    |             | 329542 |            |       | 329542 |            |       | 329542 |            |       |
| ADAF | PODIATRY RES SHARE     | 01 |             | 0      |            |       | 0      |            |       | 0      |            |       |
| ADA  | SUBTOTAL               |    |             | 0      |            |       | 0      |            |       | 0      |            |       |
| ADAF | PSYCHIATRICS           | 01 |             | 42849  |            |       | 42849  |            |       | 42849  |            |       |
| ADA  | SUBTOTAL               |    |             | 42849  |            |       | 42849  |            |       | 42849  |            |       |

1968 12 22 2201 HRS  
FT HUACHUCA  
ADAAA  
07

MEPRS  
DETAILED MEDICAL EXPENSE AND PERFORMANCE

PCN COM-012  
PAGE 2

PART I MEDICAL EXPENSE REPORT

PATIENT SERVICES

| TOTAL<br>EXPENSES | CLINICIAN<br>SALARIES | OCCUPIED<br>BED DAYS | COST PER<br>OPD | TOTAL<br>DISPS | COST PER<br>DISP | ADMTS | COST PER<br>ADMTS | *ALOS | *ADPL |
|-------------------|-----------------------|----------------------|-----------------|----------------|------------------|-------|-------------------|-------|-------|
| 5468747           | 119670                | 2682                 | 2039.06         | 1386           | 3945.70          | 1424  | 3840.41           | 1.9   | 7.3   |

\*ALOS=OSD/DISPOSITIONS \*ADPL=OSD/NUMBER OF DAYS IN PERIOD

BEST AVAILABLE COPY

### MEPRS Inpatient Cost Savings for FY 1995

|   |                 |
|---|-----------------|
| Inpatient Indirect Supply Cost                      | \$734,068       |
| Food Service Indirect Supply Cost                   | \$152,974       |
| Inpatient Indirect Equipment Cost                   | \$153,070       |
| Food Service Indirect Equipment Cost                | \$9,114         |
| Inpatient Indirect Contract Cost                    | \$268,880       |
| Direct Contract: Reduction of Cable TV Outlets      | \$432           |
| Direct Contract: Reduction of Linen Contract        | \$74,750        |
| Food Service Indirect Contract Costs                | \$58,893        |
| Direct Cost: Terminate FSD Beverage Dispenser Lease | \$2,400         |
| Inpatient Indirect TDY Cost                         | <u>\$32,519</u> |
| <br>Total Inpatient MEPRS Cost Savings              | <br>\$1,487,100 |



Inpatient  
Indirect Supply Cost

| CHG_ACT |   | SEEC                      | EXPENSE   |
|---------|---|---------------------------|-----------|
| DAAA    | PHARMACY MAIN                                 | 26 Supplies and Materials | \$94,809  |
| DAAB    | PHARMACY PX BRANCH                            | 26 Supplies and Materials | \$1,302   |
| DBAA    | CLINICAL PATHOLOGY                            | 26 Supplies and Materials | \$13,544  |
| DBBA    | ANATOMICAL PATHOLOGY                          | 26 Supplies and Materials | \$1,061   |
| DBCA    | BLOOD BANK                                    | 26 Supplies and Materials | \$2,460   |
| DCAA    | RADIOLOGY                                     | 26 Supplies and Materials | \$3,773   |
| DDAA    | EKG   | 26 Supplies and Materials | \$23      |
| DDDA    | PULMONARY FUNCTION                            | 26 Supplies and Materials | \$203     |
| DEAA    | CENTRAL STERILE SUPPLY                        | 26 Supplies and Materials | \$156     |
| DFAA    | ANESTHESIOLOGY                                | 26 Supplies and Materials | \$35,307  |
| DFBA    | SURGICAL SUITE                                | 26 Supplies and Materials | \$360,376 |
| DFCA    | RECOVERY ROOM                                 | 26 Supplies and Materials | \$18,493  |
| DGAA    | SAME DAY SURGERY                              | 26 Supplies and Materials | \$15,838  |
| DHAA    | INHALATION/RESPIRATORY THERAPY                | 26 Supplies and Materials | \$4,738   |
| EBAA    | COMMAND                                       | 26 Supplies and Materials | \$4,020   |
| EBAC    | TRICARE BRANCH                                | 26 Supplies and Materials | \$4,939   |
| EBAE    | CLINICAL SUPPORT DIVISION                     | 26 Supplies and Materials | \$256     |
| EBBA    | SPECIAL STAFF                                 | 26 Supplies and Materials | \$434     |
| EBCA    | ADMINISTRATION                                | 26 Supplies and Materials | \$11,803  |
| EBCB    | RESOURCE MANAGEMENT DIVISION                  | 26 Supplies and Materials | \$720     |
| EBCC    | FORCE DEVELOPMENT                             | 26 Supplies and Materials | \$44      |
| EBCD    | PERSONNEL DIVISION                            | 26 Supplies and Materials | \$1,899   |
| EBCE    | HOSPITAL TREASURER                            | 26 Supplies and Materials | \$146     |
| EBCF    | OPERATIONS                                    | 26 Supplies and Materials | \$607     |
| EBDA    | DEPT OF MEDICINE                              | 26 Supplies and Materials | \$15      |
| EBDB    | DEPT OF SURGERY                               | 26 Supplies and Materials | \$88      |
| EBDD    | C, DEPT PEDS                                  | 26 Supplies and Materials | \$6       |
| EBDF    | DEPT OF PSYCHIATRY                            | 26 Supplies and Materials | \$2       |
| EBDI    | C, DEPARTMENT OF NURSING                      | 26 Supplies and Materials | \$2,612   |
| EBFA    | EDUCATION & TRAINING PROG SPT                 | 26 Supplies and Materials | \$135     |
| EBFG    | STAFF MEDICAL LIBRARY                         | 26 Supplies and Materials | \$1,081   |
| EBFH    | OTHER EDUCATION & TRAINING SUP                | 26 Supplies and Materials | \$2       |
| EBHA    | THIRD PARTY COLLECTIONS                       | 26 Supplies and Materials | \$171     |
| EDCA    | REIMBURSEABLE MAINT REAL PROP                 | 26 Supplies and Materials | \$2,849   |
| EDDA    | MINOR CONSTRUCTION-FUNDED HUA                 | 26 Supplies and Materials | \$89      |
| EDJA    | COMMUNICATIONS-FUNDED HUA                     | 26 Supplies and Materials | \$12      |
| EDKB    | ELEC/COMM EQUIP&CMD GP REIM                   | 26 Supplies and Materials | \$75      |
| EEAA    | LOGISTICS                                     | 26 Supplies and Materials | \$3,477   |
| EFAA    | HOUSEKEEPING-IN HOUSE HUA                     | 26 Supplies and Materials | \$2,984   |
| EGAA    | BIOMEDICAL EQUIP REPAIR-IN HOU                | 26 Supplies and Materials | \$4,669   |
| EHAA    | LAUNDRY-IN HOUSE HUA                          | 26 Supplies and Materials | \$945     |
| EIAA    | PATIENT FOOD OPERATIONS                       | 26 Supplies and Materials | \$37,067  |
| EICA    | INPATIENT CLINICAL DIETETICS                  | 26 Supplies and Materials | \$407     |
| EJAA    | INPATIENT AFFAIRS                             | 26 Supplies and Materials | \$62,867  |
|         |   | Subtotal                  | \$696,500 |
|         | Direct Costs<br>(Supplies, Travel, Equipment) |                           | \$37,568  |
|         | Grand Total                                   |                           | \$734,068 |

Food Service  
Indirect Supply Cost

| CHG_ACT |                                | SEEC                      | EXPENSE   |
|---------|--------------------------------|---------------------------|-----------|
| EBAA    | COMMAND                        | 26 Supplies and Materials | \$461     |
| EBAE    | CLINICAL SUPPORT DIVISION      | 26 Supplies and Materials | \$29      |
| EBBA    | SPECIAL STAFF                  | 26 Supplies and Materials | \$50      |
| EBCA    | ADMINISTRATION                 | 26 Supplies and Materials | \$1,353   |
| EBCB    | RESOURCE MANAGEMENT DIVISION   | 26 Supplies and Materials | \$83      |
| EBCC    | FORCE DEVELOPMENT              | 26 Supplies and Materials | \$5       |
| EBCD    | PERSONNEL DIVISION             | 26 Supplies and Materials | \$218     |
| EBCE    | HOSPITAL TREASURER             | 26 Supplies and Materials | \$17      |
| EBCF    | OPERATIONS                     | 26 Supplies and Materials | \$70      |
| EBFA    | EDUCATION & TRAINING PROG SPT  | 26 Supplies and Materials | \$15      |
| EBFG    | STAFF MEDICAL LIBRARY          | 26 Supplies and Materials | \$124     |
| EBFH    | OTHER EDUCATION & TRAINING SUP | 26 Supplies and Materials | \$0       |
| EDCA    | REIMBURSEABLE MAINT REAL PROP  | 26 Supplies and Materials | \$2,553   |
| EDDA    | MINOR CONSTRUCTION-FUNDED HUA  | 26 Supplies and Materials | \$79      |
| EDJA    | COMMUNICATIONS-FUNDED HUA      | 26 Supplies and Materials | \$1       |
| EDKB    | ELEC/COMM EQUIP&CMD GP REIM    | 26 Supplies and Materials | \$9       |
| EFAA    | HOUSEKEEPING-IN HOUSE HUA      | 26 Supplies and Materials | \$536     |
| EGAA    | BIOMEDICAL EQUIP REPAIR-IN HOU | 26 Supplies and Materials | \$116     |
| EIBA    | COMBINED FOOD OPERATIONS       | 26 Supplies and Materials | \$13,507  |
| EIXA    | COST POOL FOOD OPERATIONS      | 26 Supplies and Materials | \$56,724  |
|         |                                | Subtotal                  | \$75,949  |
|         | Direct Costs                   |                           |           |
|         | (Supplies, Travel, Equipment)  |                           | \$77,025  |
|         |                                | Grand Total               | \$152,974 |

Inpatient  
Indirect Equipment Cost

| CHG_ACT |                                | SEEC         | EXPENSE   |
|---------|--------------------------------|--------------|-----------|
| DAAA    | PHARMACY MAIN                  | 31 Equipment | \$952     |
| DAAB    | PHARMACY PX BRANCH             | 31 Equipment | \$13      |
| DBAA    | CLINICAL PATHOLOGY             | 31 Equipment | \$740     |
| DBBA    | ANATOMICAL PATHOLOGY           | 31 Equipment | \$22      |
| DBCA    | BLOOD BANK                     | 31 Equipment | \$27      |
| DCAA    | RADIOLOGY                      | 31 Equipment | \$360     |
| DDAA    | EKG                            | 31 Equipment | \$1       |
| DDDA    | PULMONARY FUNCTION             | 31 Equipment | \$22      |
| DEAA    | CENTRAL STERILE SUPPLY         | 31 Equipment | \$3       |
| DFAA    | ANESTHESIOLOGY                 | 31 Equipment | \$612     |
| DFBA    | SURGICAL SUITE                 | 31 Equipment | \$27,643  |
| DFCA    | RECOVERY ROOM                  | 31 Equipment | \$393     |
| DGAA    | SAME DAY SURGERY               | 31 Equipment | \$1,391   |
| DHAA    | INHALATION/RESPIRATORY THERAPY | 31 Equipment | \$511     |
| EBAA    | COMMAND                        | 31 Equipment | \$83      |
| EBAC    | TRICARE BRANCH                 | 31 Equipment | \$67      |
| EBAE    | CLINICAL SUPPORT DIVISION      | 31 Equipment | \$1       |
| EBBA    | SPECIAL STAFF                  | 31 Equipment | \$1       |
| EBCA    | ADMINISTRATION                 | 31 Equipment | \$536     |
| EBCB    | RESOURCE MANAGEMENT DIVISION   | 31 Equipment | \$24      |
| EBCC    | FORCE DEVELOPMENT              | 31 Equipment | \$2       |
| EBCD    | PERSONNEL DIVISION             | 31 Equipment | \$42      |
| EBCE    | HOSPITAL TREASURER             | 31 Equipment | \$5       |
| EBCF    | OPERATIONS                     | 31 Equipment | \$4       |
| EBDA    | DEPT OF MEDICINE               | 31 Equipment | \$1       |
| EBDB    | DEPT OF SURGERY                | 31 Equipment | \$3       |
| EBDD    | C, DEPT PEDS                   | 31 Equipment | \$0       |
| EBDF    | DEPT OF PSYCHIATRY             | 31 Equipment | \$0       |
| EBDI    | C, DEPARTMENT OF NURSING       | 31 Equipment | \$24      |
| EBFA    | EDUCATION & TRAINING PROG SPT  | 31 Equipment | \$4       |
| EBFG    | STAFF MEDICAL LIBRARY          | 31 Equipment | \$2       |
| EBFH    | OTHER EDUCATION & TRAINING SUP | 31 Equipment | \$0       |
| EBHA    | THIRD PARTY COLLECTIONS        | 31 Equipment | \$1       |
| EEAA    | LOGISTICS                      | 31 Equipment | \$328     |
| EFAA    | HOUSEKEEPING-IN HOUSE HUA      | 31 Equipment | \$53      |
| EGAA    | BIOMEDICAL EQUIP REPAIR-IN HOU | 31 Equipment | \$583     |
| EHAA    | LAUNDRY-IN HOUSE HUA           | 31 Equipment | \$291     |
| EIAA    | PATIENT FOOD OPERATIONS        | 31 Equipment | \$4,063   |
| EICA    | INPATIENT CLINICAL DIETETICS   | 31 Equipment | \$13      |
| EJAA    | INPATIENT AFFAIRS              | 31 Equipment | \$114,249 |
|         | Total                          |              | \$153,070 |

Food Service  
Indirect Equipment Cost

| CHG_ACT |                                | SEEC         | EXPENSE |
|---------|--------------------------------|--------------|---------|
| EBAA    | COMMAND                        | 31 Equipment | \$10    |
| EBAE    | CLINICAL SUPPORT DIVISION      | 31 Equipment | \$0     |
| EBBA    | SPECIAL STAFF                  | 31 Equipment | \$0     |
| EBCA    | ADMINISTRATION                 | 31 Equipment | \$61    |
| EBCB    | RESOURCE MANAGEMENT DIVISION   | 31 Equipment | \$3     |
| EBCC    | FORCE DEVELOPMENT              | 31 Equipment | \$0     |
| EBCD    | PERSONNEL DIVISION             | 31 Equipment | \$5     |
| EBCE    | HOSPITAL TREASURER             | 31 Equipment | \$1     |
| EBCF    | OPERATIONS                     | 31 Equipment | \$1     |
| EBFA    | EDUCATION & TRAINING PROG SPT  | 31 Equipment | \$0     |
| EBFG    | STAFF MEDICAL LIBRARY          | 31 Equipment | \$0     |
| EBFH    | OTHER EDUCATION & TRAINING SUP | 31 Equipment | \$0     |
| EFAA    | HOUSEKEEPING-IN HOUSE HUA      | 31 Equipment | \$10    |
| EGAA    | BIOMEDICAL EQUIP REPAIR-IN HOU | 31 Equipment | \$15    |
| EIBA    | COMBINED FOOD OPERATIONS       | 31 Equipment | \$589   |
| EIXA    | COST POOL FOOD OPERATIONS      | 31 Equipment | \$8,420 |
|         | Total                          |              | \$9,114 |

Inpatient  
Indirect Contract Cost

| CHG_ACT |                                | SEEC                         | EXPENSE   |
|---------|--------------------------------|------------------------------|-----------|
| DAAA    | PHARMACY MAIN                  | 25 Purchased Svcs frm Indust | \$6,302   |
| DAAB    | PHARMACY PX BRANCH             | 25 Purchased Svcs frm Indust | \$70      |
| DBAA    | CLINICAL PATHOLOGY             | 25 Purchased Svcs frm Indust | \$11,896  |
| DBBA    | ANATOMICAL PATHOLOGY           | 25 Purchased Svcs frm Indust | \$1,576   |
| DBCA    | BLOOD BANK                     | 25 Purchased Svcs frm Indust | \$405     |
| DCAA    | RADIOLOGY                      | 25 Purchased Svcs frm Indust | \$11,341  |
| DDAA    | EKG                            | 25 Purchased Svcs frm Indust | \$18      |
| DDDA    | PULMONARY FUNCTION             | 25 Purchased Svcs frm Indust | \$59      |
| DEAA    | CENTRAL STERILE SUPPLY         | 25 Purchased Svcs frm Indust | \$134     |
| DFAA    | ANESTHESIOLOGY                 | 25 Purchased Svcs frm Indust | \$13,869  |
| DFBA    | SURGICAL SUITE                 | 25 Purchased Svcs frm Indust | \$66,860  |
| DFCA    | RECOVERY ROOM                  | 25 Purchased Svcs frm Indust | \$11,021  |
| DGAA    | SAME DAY SURGERY               | 25 Purchased Svcs frm Indust | \$22,109  |
| DHAA    | INHALATION/RESPIRATORY THERAPY | 25 Purchased Svcs frm Indust | \$1,853   |
| EBAA    | COMMAND                        | 25 Purchased Svcs frm Indust | \$1,859   |
| EBAC    | TRICARE BRANCH                 | 25 Purchased Svcs frm Indust | \$2,035   |
| EBAE    | CLINICAL SUPPORT DIVISION      | 25 Purchased Svcs frm Indust | \$258     |
| EBBA    | SPECIAL STAFF                  | 25 Purchased Svcs frm Indust | \$1,386   |
| EBCA    | ADMINISTRATION                 | 25 Purchased Svcs frm Indust | \$4,718   |
| EBCB    | RESOURCE MANAGEMENT DIVISION   | 25 Purchased Svcs frm Indust | \$742     |
| EBCC    | FORCE DEVELOPMENT              | 25 Purchased Svcs frm Indust | \$24      |
| EBCD    | PERSONNEL DIVISION             | 25 Purchased Svcs frm Indust | \$635     |
| EBCE    | HOSPITAL TREASURER             | 25 Purchased Svcs frm Indust | \$139     |
| EBCF    | OPERATIONS                     | 25 Purchased Svcs frm Indust | \$922     |
| EBDA    | DEPT OF MEDICINE               | 25 Purchased Svcs frm Indust | \$8       |
| EBDB    | DEPT OF SURGERY                | 25 Purchased Svcs frm Indust | \$49      |
| EBDD    | C, DEPT PEDS                   | 25 Purchased Svcs frm Indust | \$3       |
| EBDF    | DEPT OF PSYCHIATRY             | 25 Purchased Svcs frm Indust | \$1       |
| EBDI    | C, DEPARTMENT OF NURSING       | 25 Purchased Svcs frm Indust | \$1,464   |
| EBFA    | EDUCATION & TRAINING PROG SPT  | 25 Purchased Svcs frm Indust | \$350     |
| EBFG    | STAFF MEDICAL LIBRARY          | 25 Purchased Svcs frm Indust | \$492     |
| EBFH    | OTHER EDUCATION & TRAINING SUP | 25 Purchased Svcs frm Indust | \$1       |
| EBHA    | THIRD PARTY COLLECTIONS        | 25 Purchased Svcs frm Indust | \$20      |
| EDCA    | REIMBURSEABLE MAINT REAL PROP  | 25 Purchased Svcs frm Indust | \$10,430  |
| EDDA    | MINOR CONSTRUCTION-FUNDED HUA  | 25 Purchased Svcs frm Indust | \$38,489  |
| EDJA    | COMMUNICATIONS-FUNDED HUA      | 25 Purchased Svcs frm Indust | \$201     |
| EDKB    | ELEC/COMM EQUIP&CMD GP REIM    | 25 Purchased Svcs frm Indust | \$273     |
| EEAA    | LOGISTICS                      | 25 Purchased Svcs frm Indust | \$1,203   |
| EFAA    | HOUSEKEEPING-IN HOUSE HUA      | 25 Purchased Svcs frm Indust | \$1,282   |
| EGAA    | BIOMEDICAL EQUIP REPAIR-IN HOU | 25 Purchased Svcs frm Indust | \$8,269   |
| EHAA    | LAUNDRY-IN HOUSE HUA           | 25 Purchased Svcs frm Indust | \$1,879   |
| EIAA    | PATIENT FOOD OPERATIONS        | 25 Purchased Svcs frm Indust | \$8,989   |
| EICA    | INPATIENT CLINICAL DIETETICS   | 25 Purchased Svcs frm Indust | \$230     |
| EJAA    | INPATIENT AFFAIRS              | 25 Purchased Svcs frm Indust | \$35,012  |
|         |                                | Total                        | \$268,880 |

Direct Costs

|                      |                         |                         |
|----------------------|-------------------------|-------------------------|
| IMD Cable TV Outlets | 14% reduction (3 lines) | \$240/MONTH @ \$12/LINE |
| Linen Contract       | 25% reduction           | \$299,000               |

Food Service  
Indirect Contract Costs

| CHG_ACT |                                | SEEC                         | EXPENSE  |
|---------|--------------------------------|------------------------------|----------|
| EBAA    | COMMAND                        | 25 Purchased Svcs frm Indust | \$213    |
| EBAE    | CLINICAL SUPPORT DIVISION      | 25 Purchased Svcs frm Indust | \$30     |
| EBBA    | SPECIAL STAFF                  | 25 Purchased Svcs frm Indust | \$159    |
| EBCA    | ADMINISTRATION                 | 25 Purchased Svcs frm Indust | \$541    |
| EBCB    | RESOURCE MANAGEMENT DIVISION   | 25 Purchased Svcs frm Indust | \$85     |
| EBCC    | FORCE DEVELOPMENT              | 25 Purchased Svcs frm Indust | \$3      |
| EBCD    | PERSONNEL DIVISION             | 25 Purchased Svcs frm Indust | \$73     |
| EBCE    | HOSPITAL TREASURER             | 25 Purchased Svcs frm Indust | \$16     |
| EBCF    | OPERATIONS                     | 25 Purchased Svcs frm Indust | \$106    |
| EBFA    | EDUCATION & TRAINING PROG SPT  | 25 Purchased Svcs frm Indust | \$40     |
| EBFG    | STAFF MEDICAL LIBRARY          | 25 Purchased Svcs frm Indust | \$56     |
| EBFH    | OTHER EDUCATION & TRAINING SUP | 25 Purchased Svcs frm Indust | \$0      |
| EDCA    | REIMBURSEABLE MAINT REAL PROP  | 25 Purchased Svcs frm Indust | \$9,347  |
| EDDA    | MINOR CONSTRUCTION-FUNDED HUA  | 25 Purchased Svcs frm Indust | \$34,491 |
| EDJA    | COMMUNICATIONS-FUNDED HUA      | 25 Purchased Svcs frm Indust | \$23     |
| EDKB    | ELEC/COMM EQUIP&CMD GP REIM    | 25 Purchased Svcs frm Indust | \$31     |
| EFAA    | HOUSEKEEPING-IN HOUSE HUA      | 25 Purchased Svcs frm Indust | \$230    |
| EGAA    | BIOMEDICAL EQUIP REPAIR-IN HOU | 25 Purchased Svcs frm Indust | \$206    |
| EIBA    | COMBINED FOOD OPERATIONS       | 25 Purchased Svcs frm Indust | \$5,817  |
| EIXA    | COST POOL FOOD OPERATIONS      | 25 Purchased Svcs frm Indust | \$7,427  |
|         |                                | Total                        | \$58,893 |

Direct Costs  
FSD Beverage Dispenser

\$200/MONTH/\$2400 YEAR

Inpatient  
Indirect TDY Cost

| CHG_ACT |                                | SEEC      | EXPENSE  |
|---------|--------------------------------|-----------|----------|
| DAAA    | PHARMACY MAIN                  | 21 Travel | \$854    |
| DAAB    | PHARMACY PX BRANCH             | 21 Travel | \$12     |
| DBAA    | CLINICAL PATHOLOGY             | 21 Travel | \$276    |
| DBBA    | ANATOMICAL PATHOLOGY           | 21 Travel | \$82     |
| DBCA    | BLOOD BANK                     | 21 Travel | \$49     |
| DCAA    | RADIOLOGY                      | 21 Travel | \$228    |
| DDAA    | EKG                            | 21 Travel | \$1      |
| DDDA    | PULMONARY FUNCTION             | 21 Travel | \$8      |
| DEAA    | CENTRAL STERILE SUPPLY         | 21 Travel | \$6      |
| DFAA    | ANESTHESIOLOGY                 | 21 Travel | \$2,015  |
| DFBA    | SURGICAL SUITE                 | 21 Travel | \$5,107  |
| DFCA    | RECOVERY ROOM                  | 21 Travel | \$716    |
| DGAA    | SAME DAY SURGERY               | 21 Travel | \$658    |
| DHAA    | INHALATION/RESPIRATORY THERAPY | 21 Travel | \$199    |
| EBAA    | COMMAND                        | 21 Travel | \$1,130  |
| EBAC    | TRICARE BRANCH                 | 21 Travel | \$366    |
| EBAE    | CLINICAL SUPPORT DIVISION      | 21 Travel | \$218    |
| EBBA    | SPECIAL STAFF                  | 21 Travel | \$201    |
| EBCA    | ADMINISTRATION                 | 21 Travel | \$322    |
| EBCB    | RESOURCE MANAGEMENT DIVISION   | 21 Travel | \$250    |
| EBCC    | FORCE DEVELOPMENT              | 21 Travel | \$5      |
| EBCD    | PERSONNEL DIVISION             | 21 Travel | \$448    |
| EBCE    | HOSPITAL TREASURER             | 21 Travel | \$19     |
| EBCF    | OPERATIONS                     | 21 Travel | \$47     |
| EBDA    | DEPT OF MEDICINE               | 21 Travel | \$2      |
| EBDB    | DEPT OF SURGERY                | 21 Travel | \$12     |
| EBDD    | C, DEPT PEDS                   | 21 Travel | \$1      |
| EBDF    | DEPT OF PSYCHIATRY             | 21 Travel | \$0      |
| EBDI    | C, DEPARTMENT OF NURSING       | 21 Travel | \$98     |
| EBFA    | EDUCATION & TRAINING PROG SPT  | 21 Travel | \$18     |
| EBFG    | STAFF MEDICAL LIBRARY          | 21 Travel | \$8      |
| EBFH    | OTHER EDUCATION & TRAINING SUP | 21 Travel | \$0      |
| EBHA    | THIRD PARTY COLLECTIONS        | 21 Travel | \$5      |
| EDCA    | REIMBURSEABLE MAINT REAL PROP  | 21 Travel | \$335    |
| EDJA    | COMMUNICATIONS-FUNDED HUA      | 21 Travel | \$1      |
| EDKB    | ELEC/COMM EQUIP&CMD GP REIM    | 21 Travel | \$9      |
| EEAA    | LOGISTICS                      | 21 Travel | \$141    |
| EFAA    | HOUSEKEEPING-IN HOUSE HUA      | 21 Travel | \$105    |
| EGAA    | BIOMEDICAL EQUIP REPAIR-IN HOU | 21 Travel | \$1,236  |
| EHAA    | LAUNDRY-IN HOUSE HUA           | 21 Travel | \$51     |
| EIAA    | PATIENT FOOD OPERATIONS        | 21 Travel | \$726    |
| EICA    | INPATIENT CLINICAL DIETETICS   | 21 Travel | \$51     |
| EJAA    | INPATIENT AFFAIRS              | 21 Travel | \$16,503 |
|         |                                |           | \$32,519 |

## **APPENDIX 6**

### **CHAMPUS Health Care Summary by Primary Diagnosis**



\*HR05-007 (OHRJ69)  
RUN DATE: 04 JAN 1996  
RUN TIME: 10:50:17  
MODE: 7B-BENE ZIP

CHAMPUS HEALTH CARE SUMMARY BY PRIMARY DIAGNOSIS  
BASED ON CARE RECEIVED FROM OCT 1994 THRU SEP 1995  
008 - BLISS AN FT HUACHUCA, AZ

PAGE: 01  
COLLECTION PERIOD: 15 MONTHS  
UNDUPLICATED

REPORT SPECIFICATIONS PAGE

THIS REPORT SUMMARIZES COST AND UTILIZATION DATA. INPATIENT AND OUTPATIENT ARE PROVIDED FOR 26 MEDICAL SPECIALTIES WITH GRAND TOTALS. THIS REPORT IS BASED ON BENEFICIARY RESIDENCE ZIP CODES. FOR CATCHMENT AREA REPORTS, THE HEALTH SERVICES SYSTEM CATCHMENT AREA DIRECTORY IN EFFECT DURING THE REPORT PERIOD IS USED TO DETERMINE THE CATCHMENT AREAS.

THIS REPORT EXCLUDES CHAMPVA DATA, CONTRACTOR DENIED CLAIMS, AND CLAIMS WITH ZERO GOVERNMENT OR CONTRACTOR COST. FOREIGN COUNTRY CLAIMS ARE INCLUDED, BUT THE NUMBER OF SERVICES IS NOT.

THIS REPORT REFLECTS CARE PROVIDED UNDER CHAMPUS IN A FLOATING 12-MONTH PERIOD. THE DATA COLLECTION PERIOD IS 15 MONTHS. SEE THE USER'S GUIDE FOR THE CHAMPUS WORKLOAD REPORTS FOR ESTIMATED COMPLETION RATES.

THIS REPORT CONTAINS STANDARD CHAMPUS, CHAMPUS REFORM INITIATIVE (CRI), AND MENTAL HEALTH DEMONSTRATION (MHD) DATA. PLEASE NOTE THAT DATA FOR BOTH PARTNERSHIP AND NON-PARTNERSHIP CLAIMS ARE INCLUDED IN THIS REPORT.

BEGINNING WITH THE APR 93 - MAR 94 REPORT PERIOD, SOME MEDICAL SPECIALTIES WERE RE-ALIGNED. ADDITIONAL REPORTS, "GROUPS 1 AND 2 PSYCHIATRY WERE RE-GROUPED UNDER MENTAL HEALTH FOR OUTPATIENT VISITS. THESE ADDITIONAL REPORTS REFLECT COST AND UTILIZATION FOR OUTPATIENT DRUGS. BEGINNING WITH THIS REPORT PERIOD, THE INCREASE COST PER OUTPATIENT VISIT FOR GRAND TOTAL ALL CATEGORIES INCLUDED IN THIS REPORT. BECAUSE OF NON-OUTPATIENT DRUG COSTS ARE EQUAL TO THE TOTAL NUMBER OF NON-VISIT SERVICES UNDER "DRUGS" IS THE NUMBER OF OUTPATIENT DRUG PRESCRIPTIONS. FOR MORE DETAILED INFORMATION ABOUT THIS REPORT, REFER TO THE USER'S GUIDE.

CHAMPUS  
INFORMATION SYSTEMS DIVISION  
STATISTICS BRANCH  
JULY 1994

HR01

| INPATIENT HOSPITAL SERVICES   | ADVERSE REACTIONS  | ALLERGY  | CARDIOLOGY (VASCULAR DISEASE)  | DERMATOLOGY  | ENDOCRINOLOGY  | GASTRO-ENTEROLOGY  | HEMATOLOGY  |
|---|--|--|--|--|--|--|---|
| I INPATIENT HOSPITAL SERVICES<br>USER BENEFICIARIES<br>DEPT OF ACT DUTY SPONSOR<br>RETIREE<br>DEPT OF RET OR DEC SPONSOR<br>TOTAL HOSPITAL DAYS<br>AVERAGE LENGTH OF STAY (DAYS)<br>AVERAGE DAILY PATIENT LOAD<br>TOTAL PATIENT COST<br>TOTAL GOVT AND PATIENT COST<br>TOTAL GOVT AND PATIENT COST<br>AVG GOVT COST PER DAY | 8<br>5<br>1<br>1<br>3<br>20<br>2<br>0<br>0<br>18<br>1,732<br>204,677<br>2,947.07 | 12<br>1<br>1<br>15<br>44<br>2<br>0<br>0<br>26<br>23,071<br>362,000<br>1,597.27 | 45<br>228<br>152<br>307<br>500<br>508<br>407<br>475<br>456<br>483<br>783<br>1,327.26 | 1<br>0<br>1<br>1<br>1<br>1<br>1<br>0<br>0<br>2<br>2<br>2<br>2,072.00 | 7<br>4<br>2<br>1<br>7<br>27<br>0<br>0<br>3<br>10<br>10<br>16<br>1,396.26 | 12<br>1<br>1<br>1<br>1<br>1<br>3<br>0<br>0<br>20<br>13<br>33<br>1,500.39 | 1<br>0<br>0<br>1<br>3<br>0<br>0<br>0<br>0<br>2<br>9<br>29<br>2,908.00<br>2,908.00<br>2,969.33 |
| II INPATIENT PROFESSIONAL SERVICES<br>USER BENEFICIARIES<br>DEPT OF ACT DUTY SPONSOR<br>RETIREE<br>DEPT OF RET OR DEC SPONSOR<br>NUMBER OF VISITS<br>NUMBER OF NON-VISIT SERVICES<br>TOTAL GOVT AND PATIENT COST<br>TOTAL GOVT AND PATIENT COST<br>TOTAL GOVT AND PATIENT COST  | 11<br>5<br>1<br>1<br>23<br>25<br>1,874<br>2,121                                  | 12<br>1<br>1<br>37<br>39<br>2,384<br>2,719                                     | 106<br>152<br>366<br>904<br>277<br>105<br>154,533                                    | 5<br>2<br>1<br>2<br>11<br>700<br>784                                 | 8<br>5<br>1<br>2<br>28<br>215<br>2,990<br>3,592                          | 32<br>11<br>5<br>16<br>176<br>147<br>12,161<br>14,659                    | 4<br>3<br>0<br>1<br>1<br>1<br>544<br>555  |
| III TOTAL INPATIENT SERVICES<br>USER BENEFICIARIES<br>DEPT OF ACT DUTY SPONSOR<br>RETIREE<br>DEPT OF RET OR DEC SPONSOR<br>TOTAL GOVT AND PATIENT COST<br>TOTAL GOVT AND PATIENT COST<br>TOTAL GOVT AND PATIENT COST<br>AVG GOVT COST PER DAY   | 14<br>6<br>2<br>20,816<br>1,978<br>224,794<br>2,100.73<br>1,040.80               | 17<br>10<br>1<br>28,664<br>6,185<br>34,849<br>1,651.45                         | 109<br>154<br>520<br>1,325<br>975<br>9,268<br>1,869.92                               | 6<br>2<br>2<br>2,773<br>318<br>3,191<br>2,773.00                     | 9<br>5<br>2<br>2<br>28<br>211<br>19,900<br>1,507.00                      | 36<br>13<br>6<br>17<br>32,677<br>15,954<br>48,631<br>2,797.00            | 4<br>3<br>0<br>1<br>3,451<br>491<br>3,451.00<br>1,150.33                                      |
| IV OUTPATIENT PROFESSIONAL SERVICES<br>USER BENEFICIARIES<br>DEPT OF ACT DUTY SPONSOR<br>RETIREE<br>DEPT OF RET OR DEC SPONSOR<br>NUMBER OF VISITS<br>NUMBER OF NON-VISIT SERVICES<br>TOTAL GOVT AND PATIENT COST<br>TOTAL GOVT AND PATIENT COST<br>TOTAL GOVT AND PATIENT COST<br>AVG GOVT COST PER VISIT                  | 115<br>62<br>12<br>141<br>165<br>305<br>11,773<br>19,041<br>73.12                | 753<br>490<br>237<br>1,532<br>704<br>48,598<br>9,886<br>58,484<br>33.94        | 515<br>105<br>122<br>225<br>440<br>1,740<br>260,879<br>119.79                        | 642<br>584<br>204<br>803<br>838<br>47,173<br>70,722<br>53.12         | 144<br>26<br>39<br>79<br>207<br>806<br>22,545<br>37,760                  | 571<br>271<br>217<br>210<br>840<br>2,146<br>78,911<br>11,91.42           | 50<br>14<br>10<br>26<br>129<br>137<br>71,760<br>551.73  |
| V OUTPATIENT CARE COST SHARED AS INPATIENT<br>USER BENEFICIARIES<br>DEPT OF ACT DUTY SPONSOR<br>RETIREE<br>DEPT OF RET OR DEC SPONSOR<br>TOTAL GOVT AND PATIENT COST<br>TOTAL GOVT AND PATIENT COST   | 0<br>0<br>0<br>0<br>0<br>0<br>0<br>0   | 0<br>0<br>0<br>0<br>0<br>0<br>0<br>0   | 0<br>0<br>0<br>0<br>0<br>0<br>0<br>0   | 0<br>0<br>0<br>0<br>0<br>0<br>0<br>0                                 | 0<br>0<br>0<br>0<br>0<br>0<br>0<br>0                                     | 0<br>0<br>0<br>0<br>0<br>0<br>0<br>0                                     | 0<br>0<br>0<br>0<br>0<br>0<br>0<br>0  |
| VI TOTAL INPATIENT AND OUTPATIENT CARE<br>USER BENEFICIARIES<br>DEPT OF ACT DUTY SPONSOR<br>RETIREE<br>DEPT OF RET OR DEC SPONSOR<br>TOTAL GOVT AND PATIENT COST<br>TOTAL GOVT AND PATIENT COST<br>TOTAL GOVT AND PATIENT COST<br>AVG GOVT COST PER DAY   | 124<br>65<br>13<br>46<br>32,589<br>9,246<br>41,835                               | 764<br>467<br>62<br>281<br>77,261<br>16,111<br>93,372                          | 560<br>93<br>219<br>248<br>686,839<br>242,033<br>888,869                             | 647<br>558<br>85<br>206<br>50,354<br>23,708<br>73,708                | 150<br>20<br>80<br>35,901<br>16,929<br>52,830                            | 587<br>278<br>84<br>224<br>109,866<br>152,827<br>182,029                 | 59<br>17<br>10<br>27<br>74,689<br>10,789<br>85,424  |

NOTE: REFER TO PAGE 1 (SPECIFICATIONS PAGE) OF THIS REPORT FOR CLARIFICATION OF THE DATA WHICH APPEARS ON THIS REPORT.





HR085-007 (OHRJ6Q)  
 RUN DATE: 04 JAN 1996  
 RUN TIME: 10:50:17  
 CODE: 7B,BENE ZIP

CHAMPUS HEALTH CARE SUMMARY BY PRIMARY DIAGNOSIS  
BASED ON CARE RECEIVED FROM OCT 1994 THRU SEP 1995  
008 - BLISS AFB HUACHUCA, AZ

**PAGE: 05**  
**COLLECTION PERIOD: 15 MONTHS**

UNDUPLICATED  
GRAND TOTAL  
FOR ALL  
CATEGORIES

**GRAND TOTAL  
FOR ALL  
CATEGORIES**

## II INPATIENT HOSPITAL SERVICES

| USER                       | BENEFICIARIES | DEPT OF ACT DUTY | SPONSOR |
|----------------------------|---------------|------------------|---------|
| RETTREE                    | 1             | 1                | 1       |
| REPTNT OF RET OR DEC       | 1             | 1                | 1       |
| HOSPITAL ADMISSIONS        | 1             | 1                | 1       |
| TOTAL HOSPITAL DAYS        | 1             | 1                | 1       |
| AVERAGE DAILY PATIENT LOAD | 1             | 1                | 1       |
| TOTAL GOVERNMENT COST      | 1             | 1                | 1       |
| TOTAL PATIENT COST         | 1             | 1                | 1       |
| TOTAL GOVT AND PER DAY     | 1             | 1                | 1       |
| AVG GOVT COST PER DAY      | 1             | 1                | 1       |

## II INPATIENT PROFESSIONAL SERVICES

| USER BENEFICIARIES | DEPT OF ACT DUTY SPONSOR | DEPT OF RETIREE | DEPT OF RET OR DEC SPONSOR | NUMBER OF VISITS | NUMBER OF NON-VISIT SERVICES | TOTAL GOVERNMENT COST | TOTAL PATIENT COST | TOTAL GOVT AND PATIENT COST |
|--------------------|--------------------------|-----------------|----------------------------|------------------|------------------------------|-----------------------|--------------------|-----------------------------|
| 11                 | 1                        | 0               | 3                          | 73               | 17                           | 22                    | 16                 | 38                          |
| 8                  | 0                        | 3               | 6                          | 33               | 6                            | 15                    | 3                  | 19                          |
| 3                  | 6                        | 3               | 1                          | 10               | 2                            | 5                     | 0                  | 12                          |
| 7                  | 9                        | 5               | 1                          | 30               | 1                            | 3                     | 1                  | 41                          |
| 3                  | 1                        | 3               | 1                          | 73               | 17                           | 22                    | 16                 | 38                          |
| 1                  | 0                        | 3               | 6                          | 33               | 6                            | 15                    | 3                  | 19                          |
| 3                  | 6                        | 3               | 1                          | 10               | 2                            | 5                     | 0                  | 12                          |
| 7                  | 9                        | 5               | 1                          | 30               | 1                            | 3                     | 1                  | 41                          |
| 3                  | 1                        | 3               | 1                          | 73               | 17                           | 22                    | 16                 | 38                          |
| 1                  | 0                        | 3               | 6                          | 33               | 6                            | 15                    | 3                  | 19                          |
| 3                  | 6                        | 3               | 1                          | 10               | 2                            | 5                     | 0                  | 12                          |
| 7                  | 9                        | 5               | 1                          | 30               | 1                            | 3                     | 1                  | 41                          |
| 3                  | 1                        | 3               | 1                          | 73               | 17                           | 22                    | 16                 | 38                          |
| 1                  | 0                        | 3               | 6                          | 33               | 6                            | 15                    | 3                  | 19                          |
| 3                  | 6                        | 3               | 1                          | 10               | 2                            | 5                     | 0                  | 12                          |
| 7                  | 9                        | 5               | 1                          | 30               | 1                            | 3                     | 1                  | 41                          |
| 3                  | 1                        | 3               | 1                          | 73               | 17                           | 22                    | 16                 | 38                          |
| 1                  | 0                        | 3               | 6                          | 33               | 6                            | 15                    | 3                  | 19                          |
| 3                  | 6                        | 3               | 1                          | 10               | 2                            | 5                     | 0                  | 12                          |
| 7                  | 9                        | 5               | 1                          | 30               | 1                            | 3                     | 1                  | 41                          |
| 3                  | 1                        | 3               | 1                          | 73               | 17                           | 22                    | 16                 | 38                          |
| 1                  | 0                        | 3               | 6                          | 33               | 6                            | 15                    | 3                  | 19                          |
| 3                  | 6                        | 3               | 1                          | 10               | 2                            | 5                     | 0                  | 12                          |
| 7                  | 9                        | 5               | 1                          | 30               | 1                            | 3                     | 1                  | 41                          |
| 3                  | 1                        | 3               | 1                          | 73               | 17                           | 22                    | 16                 | 38                          |
| 1                  | 0                        | 3               | 6                          | 33               | 6                            | 15                    | 3                  | 19                          |
| 3                  | 6                        | 3               | 1                          | 10               | 2                            | 5                     | 0                  | 12                          |
| 7                  | 9                        | 5               | 1                          | 30               | 1                            | 3                     | 1                  | 41                          |
| 3                  | 1                        | 3               | 1                          | 73               | 17                           | 22                    | 16                 | 38                          |
| 1                  | 0                        | 3               | 6                          | 33               | 6                            | 15                    | 3                  | 19                          |
| 3                  | 6                        | 3               | 1                          | 10               | 2                            | 5                     | 0                  | 12                          |
| 7                  | 9                        | 5               | 1                          | 30               | 1                            | 3                     | 1                  | 41                          |
| 3                  | 1                        | 3               | 1                          | 73               | 17                           | 22                    | 16                 | 38                          |
| 1                  | 0                        | 3               | 6                          | 33               | 6                            | 15                    | 3                  | 19                          |
| 3                  | 6                        | 3               | 1                          | 10               | 2                            | 5                     | 0                  | 12                          |
| 7                  | 9                        | 5               | 1                          | 30               | 1                            | 3                     | 1                  | 41                          |
| 3                  | 1                        | 3               | 1                          | 73               | 17                           | 22                    | 16                 | 38                          |
| 1                  | 0                        | 3               | 6                          | 33               | 6                            | 15                    | 3                  | 19                          |
| 3                  | 6                        | 3               | 1                          | 10               | 2                            | 5                     | 0                  | 12                          |
| 7                  | 9                        | 5               | 1                          | 30               | 1                            | 3                     | 1                  | 41                          |
| 3                  | 1                        | 3               | 1                          | 73               | 17                           | 22                    | 16                 | 38                          |
| 1                  | 0                        | 3               | 6                          | 33               | 6                            | 15                    | 3                  | 19                          |
| 3                  | 6                        | 3               | 1                          | 10               | 2                            | 5                     | 0                  | 12                          |
| 7                  | 9                        | 5               | 1                          | 30               | 1                            | 3                     | 1                  | 41                          |
| 3                  | 1                        | 3               | 1                          | 73               | 17                           | 22                    | 16                 | 38                          |
| 1                  | 0                        | 3               | 6                          | 33               | 6                            | 15                    | 3                  | 19                          |
| 3                  | 6                        | 3               | 1                          | 10               | 2                            | 5                     | 0                  | 12                          |
| 7                  | 9                        | 5               | 1                          | 30               | 1                            | 3                     | 1                  | 41                          |
| 3                  | 1                        | 3               | 1                          | 73               | 17                           | 22                    | 16                 | 38                          |
| 1                  | 0                        | 3               | 6                          | 33               | 6                            | 15                    | 3                  | 19                          |
| 3                  | 6                        | 3               | 1                          | 10               | 2                            | 5                     | 0                  | 12                          |
| 7                  | 9                        | 5               | 1                          | 30               | 1                            | 3                     | 1                  | 41                          |
| 3                  | 1                        | 3               | 1                          | 73               | 17                           | 22                    | 16                 | 38                          |
| 1                  | 0                        | 3               | 6                          | 33               | 6                            | 15                    | 3                  | 19                          |
| 3                  | 6                        |                 |                            |                  |                              |                       |                    |                             |

### III TOTAL INPATIENT SERVICES

| USER BENEFICIARIES          | 11    | 79    | 20     | 6  | 1,977  |
|-----------------------------|-------|-------|--------|----|--------|
| DEPT OF ACT DUTY SPONSOR    | 3     | 132   | 9      | 2  | 1,952  |
| RETIREE                     | 0     | 99    | 7      | 2  | 1,109  |
| DEPT OF RET OR DEC          | 3     | 659   | 191    | 5  | 2,330  |
| TOTAL GOVERNMENT COST       | 23    | 185   | 161    | 9  | 4,554  |
| TOTAL PATIENT COST          | 1,717 | 218   | 24     | 18 | 5,532  |
| TOTAL GOVT AND PATIENT COST | 2,434 | 403   | 186    | 36 | 10,086 |
| AVERAGE COST PER ADMISSION  | 3,915 | 5,625 | 11,918 | 75 | 1,057  |

**IV OUTPATIENT PROFESSIONAL SERVICES**

| USER BENEFICIARIES.         | 1,541      | 512       | 114       | 1,         | 641      | 7,       | 001      |
|-----------------------------|------------|-----------|-----------|------------|----------|----------|----------|
| DEPT OF ACT DUTY SPONSOR    | 1,116      | 176       | 11        | 307        | 192      | 4        | 200      |
| REPT OF RET OR DEC SPONSOR  | 352        | 202       | 4         | 22         | 192      | 2        | 300      |
| REPT OF RELIANT SERVICES    | 3,772      | 2,022     | 22        | 22         | 1,925    | 20       | 205      |
| NUMBER OF MILITARY SERVICES | 122        | 1,119     | 22        | 62         | 1,605    | 19       | 19       |
| TOTAL PATIENT COST          | 147,469.86 | 28,400.75 | 22,088.47 | 207,945.53 | 1,605.59 | 2,408.39 | 2,408.39 |
| TOTAL GOVT AND PER VISIT    | 147,469.86 | 28,400.75 | 22,088.47 | 207,945.53 | 1,605.59 | 2,408.39 | 2,408.39 |
| AVG GOVT COST PER VISIT     | 147,469.86 | 28,400.75 | 22,088.47 | 207,945.53 | 1,605.59 | 2,408.39 | 2,408.39 |

**V OUTPATIENT CARE COST SHARED AS INPATIENT**

[illegible]

## VI TOTAL INPATIENT AND OUTPATIENT CARE

[illegible]

TOTAL GOVT AND PATIENT COST 1/2,921 459,086 221,220 361,484 82,135 340,204

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